

# The NATIONAL UNDERWRITER

*Life Insurance Edition*

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## ... AND THE MEMORY LINGERS ON

Grown-ups remember the painful results of sudden falls. The desire to cushion the shock begins in youth and lasts for life. That's why thoughtful fathers quickly see the need for the John Hancock readjustment income plan when its features are explained.

Our national advertising in current magazines tells the story. Our practical sales kit contains all the tools for a dramatic personal application. As a result the readjustment plan is easy to explain... and sell.

*John Hancock*  
MUTUAL  
LIFE INSURANCE COMPANY  
OF BOSTON, MASSACHUSETTS

**JOHN HANCOCK MUTUAL LIFE INSURANCE COMPANY**

GUY W. COX, President



A John Hancock advertisement promoting the readjustment income plan.

**FRIDAY, OCTOBER 6, 1939**

# HOME NEWS

Published by  
HOME LIFE INSURANCE COMPANY  
256 Broadway, New York

"A QUALITY COMPANY  
OF OPPORTUNITY"

ETHELBERT IDE LOW, *Chairman of the Board*

JAMES A. FULTON, *President*

## In 1929 (Our 70th Year)

Ten years ago the management of this Company believed there should be a place in the scheme of American Life Insurance for a company specializing in better-than-average business, and adopted

•

A

## DEFINITE PROGRAM

with

## DEFINITE METHODS

for

## DEFINITE RESULTS

## In 1939 (Our 80th Year)

### AVERAGE POLICY SALE \$5,784

*Largest of any American company in 1938.*

### LAPSE RATE 13%

*Lapse of business before paying two full annual premiums was 6% lower than the average of all companies.*

### GAIN OF INSURANCE IN FORCE 40%

*This proportion of new business sold represents net gain of insurance-in-force.*

Larger average sale indicates larger commissions per sale.

Lower lapse rate indicates greater renewal commissions.

Substantial gain of insurance-in-force indicates sound progress.

These favorable factors, as well as net earnings, low declination rate, interest factor, settlement options and favorable costs will all stand critical examination.

### FURTHER OBJECTIVES

The extension of Planned Estate Sales and Service Methods into cities where the Home Life does not now have active agency representation. Plans and methods for the development of new agencies and new general agents to manage those agencies are just as definite as the plans and methods which produced other favorable results. On matters pertaining to agency operation, write

C. C. FULTON, *Agency Vice President*



# The NATIONAL UNDERWRITER

Forty-third Year—No. 40

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, OCTOBER 6, 1939

\$3.00 Per Year, 15 Cents a Copy

## A. L. C. Forces Gather in Chicago

### Lincoln Speaks Out Against the Investigators

**Metropolitan President Charges Unfairness and Warns of Consequences**

Leroy A. Lincoln, president of Metropolitan Life, spoke out plainly about the TNEC investigation of life insurance, and the apparently prejudiced way in which its hearings were held, at the concluding session of the Agency Section of the American Life Convention in Chicago Wednesday morning. Mr. Lincoln was scheduled to discuss "The Company's Viewpoint" in summing up the morning program, and while he spoke briefly on that subject he soon launched into what was on his mind, speaking from notes and weighing his words carefully.

He reviewed each of the three hearings that were held, tracing the pattern that each took and saying toward the end of his talk that while he did not have any way of knowing definitely what the recommendations of the monopoly committee might be, the trend of the hearings indicated that they might conceivably include the suggestion that there be federal supervision of life insurance; that the position might be taken that the service of the agent is not essential, and that out of the general pattern being woven might come the proposition for \$250 worth of burial insurance for every man, woman and child in the country, this being perhaps part of the social security set-up.

#### Opposes Federal Supervision

Regarding federal supervision, Mr. Lincoln said that state supervision had performed well for life insurance and he praised the services of the agent for the important place that he occupies in life insurance work. He predicted that if a \$250 burial fund for everyone ever becomes part of the social security scheme it will constitute only the entering wedge and legislators in future years may ask why not \$300, \$500 or even \$1,000 for everyone, this, of course, resulting in the final elimination of the industrial agent and perhaps eventually the ordinary agent.

Mr. Lincoln began by going back to September, 1936, when the presidential campaign was on and when a number of executives of life companies were called to Washington to meet with President Roosevelt. At that conference the President said there would be no investigation of life insurance, and Mr. Lincoln remarked that he had not

(CONTINUED ON LAST PAGE)

### Commissioners Group Acts on War Clause Issue

**General Provision for U. S. Citizens May Come Up at Biloxi Gathering**

Approval in principle was given to the adoption of war clauses by the life insurance committee of the National Association of Insurance Commissioners at its meeting in Chicago this week. The full text of the statement issued by this committee may be found in the adjoining column.

The position of the insurance commissioners was arrived at after several executive sessions and conferences with special committees of the Life Presidents Association, the American Life Convention and the National Fraternal Congress. The statement lists substantially what the companies wanted done at this time, and the belief of many who attended the conferences is that at the Biloxi meeting of the insurance commissioners next December a general war clause may be agreed upon which can be made effective if the United States becomes involved in the European war.

#### Some Sought General Clause

At the various Chicago meetings there were a number of commissioners who wanted to see a general war clause developed so that if there should be a sudden shift in the international situation and the United States should become a belligerent nation the war clause would be ready for immediate use and not prepared in haste. It was found, however, that many companies wanted the privilege of agreeing to a war clause in principle, but to be permitted to use phraseology of their own devising. It is still the opinion of a majority that in addition to what has been decided upon, an all-embracing war clause should be agreed to before the Biloxi meeting and one that will, as nearly as possible, permit of only minor deviations from the standard form.

There were several commissioners and company officials who felt that the general war clause to be finally adopted should be carefully considered, and that terms should be defined, such as "war zone," "directly or indirectly," etc. When all of the various elements got together in Chicago it was discovered that there were numerous interpretations upon these and other points, and it became obvious as the discussion progressed that more time would be needed to bring about a reconciliation of all the factors involved.

#### Effect of Embargo Repeal

Some said that the proposed repeal of the arms embargo now being discussed in the United States Senate influenced some companies to postpone immediate

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**Statement of State Officials' Action Issued Following Meeting Held at Chicago**

The life committee of the National Association of Insurance Commissioners, meeting in Chicago this week, issued a statement on action taken regarding a war clause for use by companies in new policies issued. The text of the statement is:

"The committee on life insurance of the National Association of Insurance Commissioners has been advised that the life insurance companies are faced with certain problems due to conditions abroad and on the high seas, which require the use of special clauses in their policy contracts.

"The committee has considered the suggestions offered by the American Life Convention, Association of Life Insurance Presidents and National Fraternal Congress, and approves in principle the desirability for clauses, within statutory limits, to be attached to policies in the future, limiting benefits to assureds: (1) who may serve in the military, naval or air forces of any foreign country at war; (2) who may serve in civilian units auxiliary to the armed forces of any foreign country at war; (3) who may travel within geographic limits specifically designated in the policy.

"The express purpose for these special clauses is to enable the companies to accept applications for life insurance which they otherwise probably would be forced to decline. Nothing contained herein should be construed as affecting the legal rights of companies or policyholders, under existing laws of the several states.

#### No Effect on Existing Policies

"Clause No. 1 in paragraph two above, under the laws of most states, might be effective during the life of the policy, but the second and third clauses of paragraph two above might, in most states, be of no effect after two years, which is the usual statutory contestable period. Use of these clauses will in no way affect existing insurance policies which do not now contain such limitations.

"Some companies have indicated that they may prefer to charge an extra premium commensurate with the risk to cover these hazards in lieu of limiting the benefits as described above. The committee has no objection to this practice.

"The company committees have been requested to draft forms in conformity with the above. The life committee of the National Association of Insurance Commissioners will give further study to other clauses, including aviation, and will report its conclusions with

### C. A. Craig Is Elected as New President

**Usual Activities of Week Intensified by Commissioners' War Risk Parley**

C. A. Craig, chairman of National Life & Accident, was elected president of the American Life Convention at the session Wednesday evening.

New members of the executive committee are W. T. Grant, president Business Men's Assurance; W. C. Schuppel, vice-president Oregon Mutual; L. D. Cavanaugh, president Federal Life. Holdover members are Julian Price, president Jefferson Standard Life; Harry Wilson, vice-president American United Life; A. J. McAndless, president Lincoln National Life.

There was a big gathering of the forces in Chicago this week for the thirty-fourth annual meeting of the American Life Convention. W. T. Grant, Business Men's Assurance, the president of the American Life Convention, arrived in Chicago on Wednesday to preside at general sessions. It had been feared that he would not be able to attend because of his recent serious illness. His health did prevent him from being present at the four sectional meetings of the convention on Monday and Tuesday. He was given a rousing welcome upon his arrival.

#### War Clause Conference

As a sort of curtain raiser to the American Life Convention meeting there was a joint conference between special committees of the insurance commissioners association, the Life Presidents Association and the American Life Convention on the possible adoption of a war clause and a discussion of the form it should take. This gathering attracted more than 20 representatives of 11 insurance departments and brought to the American Life Convention meet-

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regard to any changes which may be deemed necessary, to the December convention in Biloxi.

"Uniformity and standardization of clauses are considered by the committee to be of paramount importance. Pending formal action by the National Association of Insurance Commissioners, the life committee recognizes the fact that commissioners will approve such forms as conform to their respective laws and meet local state requirements."



## Cabaniss Named New Chairman of A. L. C. Legal Section

### Precedent Shattering Legislation Is Main Topic in Round Table Discussions

Jelks H. Cabaniss, general counsel Protective Life and secretary of the Legal Section of the A. L. C. during the last year, was elected chairman, succeeding Howard W. Kacy, vice-president and general counsel Acacia Mutual, at the annual meeting in Chicago this week. E. A. Roberts, vice-president and general counsel Minnesota Mutual Life, is the new secretary. Mr. Cabaniss is a member of Cabaniss & Johnston, Birmingham legal firm.

### Robbins Greets Section

Questions involving government may be expected to become more important and difficult, Col. C. B. Robbins, A.L.C. manager and general counsel, declared in a brief talk in which he extended greetings from the convention and from President W. T. Grant. Howard W. Kacy, vice-president and general counsel Acacia Mutual, section chairman, presided.

M. E. Benson, A.L.C. attorney, gave his annual review of legal decisions, noting that sweeping changes of the last few years in constitutional doctrine had greatly affected life insurance decisions and resulted in reversal of many cases. He felt "left handed justice" had been dealt out in a number of instances. Guiding opinions of famous old U. S. Supreme Court justices do not have the weight they used to have. They no longer serve as "beacon lights," he said.

The companies won in 309 of the 768 cases reported by the "Legal Bulletin" since the last meeting, only 274 cases going against the companies, or about 53 percent for the companies in cases in which they were directly involved as party litigants. Reversal was secured by the companies in about 46 percent of such attempts, and by beneficiaries in only 32 percent.

### Important Tests Pending

Two important pending cases involving the famous Paul vs. Virginia decision were noted by Jacob S. New, second vice-president and general counsel Eureka-Maryland. One is on complaint filed by the federal trade commission against "Good Housekeeping Magazine," charging its seal of approval of products is in restraint of trade. The magazine contends this is "insurance" and not subject to the commission's control. The other case is before the NLRB, involving Sun Life of Baltimore, the AFL and CIO in a question to determine the bargaining agency among the company's agents.

Sydney F. Keeble, associate general counsel Life & Casualty, in a talk on the need for legislative cooperation discussed the TNEC life insurance probe. He suggested forming a central committee of companies, not to lobby, but to coordinate efforts to meet attacks on life insurance. The companies are confronted by many other serious problems, he said, and must work together. He said although it was announced there would be no bias in the TNEC hearings, a lawyer attached to the commission testified on double indemnity in industrial policies, saying the company was liable only under extremely rare circumstances, then took part in the questioning of witnesses; there appeared to be a "preconceived pattern" for the testimony, witnesses presented by the commission being carefully prepared, and

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## N. Y. Federation to Meet at Binghamton This Year



F. D. RUSSELL

When the Insurance Federation of New York convenes at Binghamton on Oct. 13-14, the convention will be under the sponsorship of the Binghamton Fire & Casualty Insurance Club. J. F. Ackerman, president of the club, will give the address of welcome opening the convention, with a response by J. R. Thompson, president of the federation. The golf tournament will begin on Friday morning and that day will be given over entirely to the tournament. The convention closes on Saturday with banquet at which F. D. Russell, president Security Mutual Life, and Barent Ten Eyck, general solicitor claims bureau Association of Casualty & Surety Executives, will speak. The association anticipates a substantial attendance of life men at this convention as Mr. Russell will be on the program.

## Prudential Adopts War Risk Clause

NEWARK—The Prudential has notified its agents that insurance will be written only with a war risk limitation for the following nine classifications: Members of the army, navy, marine corps and coast guard; West Point and Annapolis undergraduates; national guard and all reserves connected with the services; including members of the Citizens Military Training Corps, Reserve Officers Training Corps, Officers Reserve Corps and West Point and Annapolis graduates not at present in the service; members of the C.C.C.; members of relief organizations, such as the Red Cross, Salvation Army, Y.M.C.A., Knights of Columbus, and the like; airplane pilots, student pilots, and college students taking aeronautics courses; all persons engaged in maritime activities; applicants contemplating residence or travel outside of Continental United States and the Dominion of Canada; and all foreign born male applicants age 18 to 50 inclusive.

The war risk exclusion provides that the company's liability will be limited to return of premiums with 3 percent interest if death occurs while the insured is serving with military, naval or air forces outside of the United States or Canada or within six months after service is terminated; death resulting from aviation training, or death resulting while outside Canada or the United States.

### Kraus Heads Erie Managers

John Kraus, Western & Southern at Erie, Pa., has been elected president of the Managers & General Agents Association there. W. L. Strong, Scranton Life, is vice-president, and A. F. Schodt, Canada Life, secretary.

## Add Linton, Fischer Whatley, Patterson

### J. A. Hawkins Also Billed for Research Bureau, Agency Officers Parley

Names of additional speakers for the annual meeting of the Sales Research Bureau—Life Agency Officers Association in Chicago, Oct. 31-Nov. 2 are announced this week.

S. T. Whatley, vice-president Aetna Life, will preside at the opening session and will give the first address, in which he will review the Research Bureau year and the life insurance year. He is chairman of the bureau's executive committee.

A. E. Patterson, vice-president Penn Mutual, will also address the opening session, speaking on "Today's Challenges to Life Insurance From the Standpoint of the Agency Executive."

### Linton on Social Security

Another speaker during the week will be M. A. Linton, president Provident Mutual Life, on "The New Social Security Act." Mr. Linton will discuss the relation of the act to the distribution of life insurance. There is to be an "off the record" discussion of social security, giving the members opportunity to ask questions from the floor.

One period will be devoted to a discussion of what companies are doing to coordinate management activities. The speakers will be Chester O. Fischer, vice-president Massachusetts Mutual Life, who will discuss the inter-relationship between all aspects of agency management. He will describe the plan that Massachusetts Mutual follows to insure that every unit is properly geared to all other functions and the objectives of the agency department and the company as a whole.

J. A. Hawkins, vice-president Midland Mutual Life, will talk on "Progress Coordination," discussing the subject from the standpoint of the medium sized company.

## Entertainment Plan of Advertising Men

At the meeting of the Life Advertisers Association at Detroit, Oct. 16-18, all members and their wives will be given the opportunity to attend the Ford Sunday evening broadcast the night of Oct. 15. On the afternoon of Oct. 16, all will go in a body to Greenfield Village and the Edison Institute. That evening there will be a dinner party at Dearborn Inn. A card party is being arranged for the ladies that evening and the members will proceed with their meeting, A. H. Motley, western manager of the Crowell-Collier Publishing Company being the speaker.

A dinner dance is being arranged for the following evening, the feature of the entertainment being the appearance of a Ford Dixie 8, with the compliments of the Ford Motor Company. The speaker will be John Caton, president of Chrysler Institute, who will speak on "Common Sense in Education." There will be a luncheon the following noon at which time the advertising awards will be presented. Ladies will be invited to this affair. An interesting feature of this convention will be a question box with questions submitted in advance.

### Honor Gillis on Birthday

In recognition of his birthday, the agency force of the A. F. Gillis agency of the Provident Mutual Life in Newark honored him with a one-day drive for new business last week which resulted in \$43,000 of new written business. The agency has had seven consecutive plus months.

## Industrial Section Draws Sharp Views from the Chairman

### Mohan Condemns Legislation That Denies Benefits to Underwriters

#### NEW OFFICERS ELECTED

Chairman—Curtis P. Kendall, vice-president Washington National.  
Secretary—B. L. DeWitt, Peninsular Life.

An antagonistic attitude towards recent governmental actions and trends was apparent at the annual meeting of the Industrial Section of the American Life Convention. In his message as chairman T. J. Mohan, vice-president Eureka-Maryland Assurance, made some caustic remarks regarding the curtailing the liberties of those in the lower income brackets by interfering with the freedom of providing for their own financial independence with industrial insurance. Following a talk on "Improving Public Relations" by E. W. Craig, executive vice-president National Life & Accident, a spirited discussion on taking some definite action on meeting inimical trends was launched by Joe D. Morse, president Home State Life. The topic was continued at the closed session in the evening. The warning on governmental threats given two years ago by President Laurence F. Lee of the Occidental Life of North Carolina and Peninsular Life, was recalled and regret was expressed that no action had been taken at that time to avert the situation which has now arisen.

### Urges Definite Plan

Mr. Morse urged that a definite plan be made to have officials of each company contact the senators and congressmen in the state in which the company is located and to demonstrate to them that the business is being operated on a high level.

Mr. Mohan said that in the absence of the savings of the industrial worker and the protection rendered him through the medium of industrial life insurance, some form of additional tax would have to be levied on all the people. The independence of the worker to provide for himself protection and saving would disappear. He asked whether there is danger that the weekly purchase plan which has been successful, tried and proved may be denied the underprivileged.

### Industrial Endowment Unobtainable

In some sections he called attention to the fact that already the industrial endowment is unobtainable. He gave it as his opinion that such a law indirectly curtails the liberties of the so-called underprivileged class, those in the lower income brackets. Mr. Mohan believes that people with their own money should be permitted to buy what they believe is best for them. He called the law prohibiting industrial endowments as paternalistic. He said that he did not know of any financial institution that will provide a saving account for the children of the industrial classes and incorporate the protection provided in the endowment policy. He gave it as his opinion that the endowment policy fills a need that will be missed by the industrial people. It is his belief that the single premium is the price of all forms of insurance and that the annual, semi-annual, quarterly, monthly or weekly payment plan is a service to purchasers, the cost in proportion to size of the instalment. Industrial insurance,

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## Financial Section Applauds Plan for Seminar

**A. L. C. Group Endorses  
Cunningham's Project—  
F. J. Travers New Chairman**

### OFFICERS ELECTED

Chairman—Frank J. Travers, second vice-president Lincoln National.  
Secretary—Charles F. Nettleship, Jr., assistant secretary Colonial Life.

D. F. Roberts, treasurer Acacia Mutual, presided at the Financial Section meeting of the American Life Convention as chairman. In opening the meeting he commented on the large attendance and the presence of a large number of life company presidents.

Greetings were extended by C. B. Robbins, manager and general counsel of the American Life Convention, who referred to the Financial Section as one of the most progressive and efficient divisions of the American Life Convention.

Alex Cunningham, vice-president and treasurer Western Life of Helena, reported on the investment officers seminar, an idea that he has developed and finally perfected. Mr. Cunningham said that 75 have signed up for the seminar from 53 companies, in some instances two or three from one company. The seminar will consist of a three year course, with each year more or less independent.

Indiana University has been chosen because of its convenient location, facilities and faculty. The first seminar will take place in August of next year over a period of two weeks. The total cost to those attending will be not over \$200 exclusive of transportation. There must be a \$100 deposit and positive registration by November 1. Members of the Financial Section expressed considerable satisfaction with Mr. Cunningham's perfection of the plans for the seminar.

### Lounsbury Gives Suggestions

Ralph R. Lounsbury, president Bankers National Life, submitted a suggestion for reducing costs of handling foreclosed real estate. Mr. Lounsbury advocated exchange of so-called isolated properties among life companies, saying all foreclosed real estate can be more advantageously handled if it is all in one general locality. Mr. Lounsbury's proposal would necessitate the enactment of legislation in some states but he explained that several commissioners have approved it.

### Should Have Good Management

The best results to be obtained from foreclosed real estate, he said, from the standpoint of policyholders, the companies and the general public come from good management of the real estate and good management to look for early sales of such property. Good management means, however, he added, close supervision, active interest and full knowledge of the various properties and that means with isolated properties either failure to get good management or get it at an excessive cost.

A discussion of this subject in May with some of the officials of the Financial Section led to the suggestion that it might be possible to improve the situation if a means could be found under which exchanges of isolated property could be made by and between life companies and, therefore, bring all or nearly all of the holdings of any one company

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## Agency Leaders Show Militant Spirit at St. Louis

The final registration at the convention of the National Association of Life Underwriters at St. Louis was 2,204. This is the all-time high record by about 250. The Philadelphians, who will be hosts next year, are confident that another new high will be established in 1940, as the convention city is accessible to the heavy population centers of the east.

Should it develop that interest in the association has reached the point that attendance at the annual convention will regularly be as large or greater than at St. Louis, the number of cities that have the facilities to serve as hosts will be limited.

At St. Louis the meeting room in the Jefferson Hotel was not large enough to accommodate everyone, but the conventioners seem to prefer a crowded meeting room at the headquarters hotel than to journey to an auditorium or theater some distance from headquarters.

### Division of Opinion

Opinion seems to be divided as to the desirability of the type of convention program that was given at St. Louis, featuring noted speakers from outside the ranks of insurance. Some of these speakers at St. Louis made decided hits and the crowd was appreciative. However, some of the conventioners say that they prefer the traditional program, featuring inspirational and instructive life insurance features on the part of leaders in the business.

One of the purposes of having outside speakers is the advancement of public relations. For one thing, the theory is that these speakers and what they said would have news value to the daily newspapers, whereas an insurance

man talking insurance technique to an insurance audience would offer little of public interest. The fact that the newspapers these days are crowded with war news resulted in the convention being publicized less extensively than the leaders had hoped. Thus the real publicity value of the St. Louis type of program was not given a real test.

Most of the outside speakers championed the system of free enterprise in the United States and alluded more or less extensively to the manifestation of that spirit in the life insurance business. With the extremists in Washington advocating a radical overhauling of the method of administering insurance and even the method of conducting it, the audience was definitely cheered by these expressions of adherence to the traditional American system on the part of nationally known figures from outside the ranks of insurance.

### Militant Feeling Prevails

Although reference at the various sessions at St. Louis to the great issues that are now confronting insurance, such as social security, and the monopoly investigation and its implications, were muffled and the remarks that were made on these subjects were somewhat guarded, yet these were questions that were dominating the thoughts of everyone. There is apparent under the surface a militant spirit that may be released at any moment. Some of the leaders feel that the association must gird for a battle to preserve the business and the place of the agency organization. The companies, they say, have not and perhaps are not in a position to fight back aggressively against attacks on the business and on the

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## Agency Section Names Winterble as New Chairman

**Weidenborner Elected to  
Second Post—H. T. Burnett  
Presides at Session**

H. T. Burnett, vice-president Reliance Life, presided at the meeting of the Agency Section Wednesday morning. He presented a well-rounded program. The theme of the session was "Profitable Cooperation." The various speakers discussed the things which can be done with resultant benefits and profits for the agent, general agent, agency vicepresident, the policyholder and the company.

W. F. Winterble, director of agencies Bankers Life of Iowa, was elected as the new chairman of the Agency Section, and F. F. Weidenborner, superintendent of agencies Guardian Life, as secretary.

### Soliciting Agent Speaks

George Stewart, an agent of the Penn Mutual Life at Pittsburgh, spoke before the Agency Section on the central theme of "Profitable Cooperation," looking at the situation from the standpoint of the rate book man. He said that the greatest cooperation that companies can give the agent is to place him in a better position to be of greater service to the public. He suggested some steps. An agent should be more carefully selected. No part time agent should be hired except as permitted under the agency practices agreement. An agent should receive constant training with service to the policyholder as the keynote of it. Every agency should demand that an agent belong to his life underwriters association, even if it is necessary to advance him the money for the dues. Beneficiary agreements should be simplified and some attempts made among the companies toward standardization of the restrictions that have been set up with regard to distribution of proceeds. Agencies should comply with the request of an agent from another company for beneficiary papers if the agent has the authority of the policyholder. Agents should be rated on the quality of their business rather than on the quantity alone. The agent should be fortified with adequate information regarding some of the details of company operation. More companies should use national advertising as well as direct mail to their policyholders.

### Clyde F. Gay's Talk

Clyde F. Gay, general agent Aetna Life in Boston, in speaking before the Agency Section from the point of view of field management on "Profitable Cooperation," discussed four broad concepts, they being (1) Is the American agency system worth saving? (2) Company leadership should be based on a well defined plan. (3) The company plan should be in harmony with institutional promotion, and (4) the prestige of the individual salesman should be built from within.

He spoke of the state life insurance fund in Wisconsin, the savings bank life insurance scheme in Massachusetts and in New York. These are all over the counter plans but, Mr. Gay said, the Massachusetts savings bank law has developed a spearhead and entering wedge for a complete overthrow of life insurance marketing through the agency system, if not for a complete socialization of this business in its entirety.

Mr. Gay said the safety of life insurance

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## Lapse Prevention Formula

Time-tried and success-tested, and steadfastly employed by prosperous underwriters past and present. Urgently described in training courses, emphasized in Agency meetings and at Sales Congresses. Here it is:—

1. First, prospecting carefully, cover specific needs; give the buyer a hold-fast motive.
2. Income insurance instead of lump sum; another hold-fast motive.
3. Resolutely sell annual premium; lessens the chance for lapse through forgetfulness or circumstance.
4. Periodically visit clients, with oral questionnaire to develop service needs.
5. Send personal birthday and Christmas cards, self-signed. Nourishes good will.
6. Be, yourself, a "center of influence," profitable to your client's business, even as you desire him to be to yours.

It's good practice to check work and routine for observation of these several features, to restore any that may have been slighted, or add any that have not been used.

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### THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY  
Chairman of the Board

JOHN A. STEVENSON  
President

INDEPENDENCE SQUARE, PHILADELPHIA



## Extra Premium for War Risk Are Set in Canada Session

Conference at Toronto  
Decides on Most Equitable  
Course to Pursue

TORONTO—Representatives of Canadian life companies and others operating in this country met here to take action on the extra premiums to be charged policyholders serving in the war against Germany.

Some insurance executives are beginning to suggest the advisability of war being listed continuously in the occupational hazards. Their argument is that if some mild restriction had been imposed in recent years companies would not have to be so drastic now.

### Leaves Inequitable Situation

It may not seem fair, one official points out, that policies up to three or four weeks ago should be issued free of restrictions while men now enlisting under the impulse of patriotic duty are charged an extra premium. However, experience has shown that a fairly safe line has to be drawn somewhere. A general agreement on the most equitable course was reached at the meeting here, applicable to all Canadian branches and agencies.

There follows an outline of the schedule of extra premiums for present quotations under the terms of the war clause. These premiums, when once paid under any particular case, will be continued at the same rate throughout the duration of service, even if a change in the general schedule is decided upon for future quotations.

Where a rate is quoted as "Not less than \$....." full details of the policyholder's intended service, travel or residence are to be furnished the head office with the request for exact quotation. The quotations are:

Schedule of Quotations	Per Annum
A.—Military Service:	
1.—All military service (including army service corps, forestry corps and railway operating units) other than aviation services and the army medical corps per \$1,000.....	\$90.00
2.—Army medical corps except nurses, per \$1,000.....	40.00
3.—Nurses per \$1,000.....	25.00
B.—Noncombatant units such as Salvation Army, Y. M. C. A., K. of C., Etc., per \$1,000.....	40.00
C.—Civilian travel and residence:	
1.—Within the area consisting of North and South America, including the West Indies, Bermuda and Newfoundland, and the waters lying between the same.....	....
2.—Travel to or residence in Europe, Africa, Asia or Australasia.....	....
D.—Naval service and marine service:	
1.—Naval service excluding submarine service, per \$1,000 not less than.....	50.00
3.—Mercantile marine. The regular war clause excluding the section relating to travel should be included for these risks, per \$1,000.....	25.00
E.—Aviation service in Canada. (Death resulting from air service within or beyond the boundaries of Canada has been excluded from coverage without privilege of coverage under the present war clause by payment of an extra premium. It has been decided, however, to make provision for full coverage only within the boundaries of Canada by payment of an extra annual premium, a revised edition of the war clause is being prepared for all new policies which will cover this point.)	
1.—Groundsman, such as mechanics, etc., per \$1,000.....	10.00
With respect to this classification the recommended extra of \$10 is intended to cover a groundsman while flying in the course of his duties, but if his rank in the air	

## Zimmerman Feted in Home Town

New National Association  
President Is Honored at  
Brilliant Banquet

About 250 Chicago insurance men, together with leaders in the National Association of Life Underwriters from outside of the city and numerous company executives who were in Chicago for the meeting of the American Life Convention gathered at a banquet Tuesday evening to express esteem and best wishes to C. J. Zimmerman, Connecticut Mutual, Chicago, the new president of the National association. The occasion also turned out to be an evening of greetings to H. T. Wright, Equitable Society, Chicago, the new national vice-president.

Philip B. Hobbs, Equitable Society, was toastmaster. He introduced W. M. Houze, president General Agents & Managers Association of Chicago, who spoke briefly. Harry Wright was introduced and had a word to say of the sportsmanship of John A. Witherspoon, John Hancock, Nashville, the unsuccessful candidate for vice-president.

### Buckley and Chandler Heard

L. Mortimer Buckley, Provident Mutual, president Chicago association, and the chairman of Mr. Wright's campaign committee, spoke. Harold N. Chandler, second vice-president of Connecticut Mutual, represented Mr. Zimmerman's home office and spoke appreciatively of the new president.

Holgar Johnson, Penn Mutual, Pittsburgh, the retiring national president, paid tribute to his successor. The principal talk of the evening was made by A. E. Patterson, vice-president Penn Mutual, who had an interesting association with Mr. Zimmerman in association work. In 1935, Mr. Patterson was defeated for vice-president National Association of Life Underwriters and at the same time Mr. Zimmerman was elected a national trustee. Mr. Patterson's friends desired that he stand for election the following year but he would have been ineligible because he was not a trustee. At this point Mr. Zimmerman graciously withdrew as a trustee, permitting Mr. Patterson to go on the board and thus step into the vice-presidency the following year.

### Response by Zimmerman

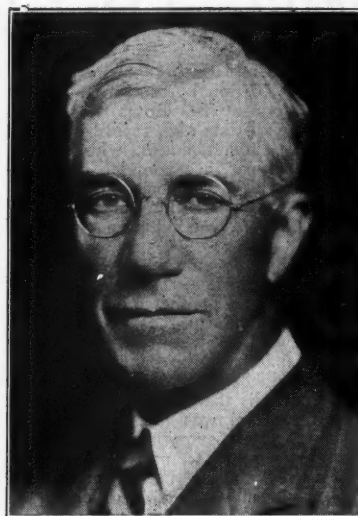
Mr. Zimmerman in his response got a great ovation. He said that he hoped his administration would retain its sense of humor, keep its balance, seek advice and help in informed quarters, "not stick our necks out and go off half cocked." He said that, if in the monopoly investigation of life insurance, weaknesses are exposed that should be corrected, they will be corrected through self examination and regulation. If hostile moves should eventuate, Mr. Zimmerman said that the problem will be attacked in a friendly spirit but with a firm determination to protect the interests of the agency force and the policyholders.

Two other past presidents of the National association were in the room, they

service changes, he will be required to notify the company and to pay such extra premium as the company may require.	
2.—Student pilots per \$1,000.....	60.00
3.—Experienced pilots, those with 300 or more flying hours.	
AA.—Non-commission pilots per \$1,000.....	40.00
BB.—Pilot officers per \$1,000.....	40.00
CC.—Flying officers per \$1,000.....	35.00
DD.—Flying lieutenants.....	25.00
EE.—Squadron leaders per \$1,000.....	20.00
FF.—Wing commanders per \$1,000.....	15.00
4.—Crew, observers, or photographers per \$1,000.....	35.00

\*No extra.  
†Not less than \$10 per annum, depending on length of travel or residence, number of trips, etc.

## Rounds Out 50 Years



R. W. HUNTINGTON

Chairman R. W. Huntington observed his 50th anniversary of service with the Connecticut General Life this week. When he joined the clerical staff on graduation from Yale, the office staff numbered 10. He became actuary four years later, secretary in 1899 and president in 1901. He is the dean of Hartford life insurance executives.

being S. T. Whatley, vice-president Aetna Life, and C. Vivian Anderson, Provident Mutual, Cincinnati. Ray Hodges, Ohio National, the new secretary, was present as was Karl E. Madden, Penn Mutual, Davenport, a new trustee. Roger B. Hull, managing director National association, was in the room and was given recognition.

## Honor Heye in Guardian Campaign

A special production campaign honoring President Carl Heye on completion of 50 years of service is being launched by the Guardian Life. A minimum objective of 15 paid lives or \$50,000 paid volume, written during the 50 days from Oct. 2 to Dec. 1 and paid for by Dec. 28, has been established for every Guardian producer.

Agency quotas in paid lives and volume have been assigned all Guardian managers and through individual and combined agency productions in the campaign, invitations to a commemorative dinner to be tendered President Heye next January in New York City may be earned by field men.

In each of the four Leaders Club districts—metropolitan New York, eastern, western and southern—the leading agent in number of paid lives, the leading agent in volume paid for, and the leading agent in Graph-Estate sales, together with the managers of the agencies securing the greatest percentage of paid lives quota and paid volume quota, will qualify for invitations to the dinner.

President Heye will be presented a commemorative volume made up of the individual and agency achievements recorded during the campaign in his honor.

### Clendenon to Memphis

Carl Clendenon, formerly with the American National at Tyler, Tex., and later in the branch office at Corpus Christi, has been promoted to superintendent of agencies at Memphis, Tenn. W. E. Guest, formerly at Wichita Falls and then superintendent at Fort Worth, has been named district inspector at the latter point.

N. J. Specter, assistant manager Metropolitan, Madison, Wis., was married to Miss Harriet Dizon of that city.

## Bank Policy Loans May Bring Sudden Heavy Cash Drains

Rise in Money Rate  
Would Cause Wholesale  
Refinancing, L.O.M.A. Told

### NEW OFFICERS ELECTED

President—W. P. Barber, Jr., secretary Connecticut Mutual.  
Vice-president—D. N. Warters, associate actuary Bankers Life of Iowa.

NEW YORK—Serious complications for insurance companies may result from bank loans on insurance policies under which the company agrees to pay the amount due the bank in the event of the assured's death and the balance to the beneficiaries as income, said B. L. Holland, associate counsel Phoenix Mutual Life, at the Life Office Management Association annual meeting, in discussing a paper presented by R. C. Tait, assistant trust officer Genesee Valley Trust Company, Rochester, N. Y. on policies as loan security. Mr. Holland warned of heavy sudden demands on companies due to banks throwing these loans over board as interest rates rise.

"When an insurance company undertakes to make a division of insurance proceeds," he said, "even though it is done in accordance with the provisions of the assignment, it is assuming considerable responsibility, because there is always the question as to whether the amount of the indebtedness stated by the bank is correct, whether the proper amount was deducted from the proceeds of the particular policy, whether the bank should have resorted to other collateral before using the life insurance, and so forth.

### Need Consent of All

There are many cases in which settlement can safely be made only upon the acknowledgment of all interested parties that a proper division is being made. This may be difficult where there is a large group of beneficiaries designated in the policy. Furthermore, if the policy happens to be made payable to successive beneficiaries in the form of income, this may not only be difficult, but in some cases impossible. If no such acknowledgment is secured, the controversy may not arise over the settlement until some beneficiary with a future interest becomes entitled to receive benefits and is dissatisfied with the amount remaining for him."

While the development of bank loans or insurance policies has created more problems for the insurance companies than for either the insured or the banks, the latter face complications also. Mr. Holland pointed out that with such a loan the insured must not only make premium payments to the insurance company but must account to the banks for these payments. He must place his policy in the bank's possession. He cannot increase his loan with the bank without the bank's consent. If there is a loan value in the policy in excess of the loan made by the bank, it is entirely discretionary with the bank whether it will make an additional loan to the insured, permit the insured to secure a loan from the insurance company within the amount of such excess, or refuse to permit the additional loan to be made at all.

Furthermore, if the insured wishes to change the beneficiary designation, it will usually be necessary for him to obtain possession of the policy in order

(CONTINUED ON PAGE 10)



## "Ad" Men Reelect R. C. Dreher at Boston Convention

Varied Program Is Run Off at Insurance Advertising Conference Rally

By RALPH E. RICHMAN

BOSTON—R. C. Dreher, Boston and Old Colony, was reelected president of the Insurance Advertising Conference at the annual meeting here. All other officers were reelected and there is but one change on the executive committee. C. W. Van Beynum, Travelers, succeeds H. E. Taylor, American, on the executive committee. Those reelected are D. C. Gibson, Maryland Casualty, vice-president, and R. E. Brown, Jr., Aetna Casualty, secretary. The officers, Mr. Van Beynum, E. M. Hunt, Mutual Life, C. J. Fitzpatrick, U. S. F. & G.; A. A. Fisk, Prudential, and W. L. Lewis, Agricultural, make up the executive committee.

Reminiscences were given by H. H. Putnam, John Hancock Mutual, in reviewing the contribution of personal salesmanship to insurance progress over the last 50 years. He predicts equally solid achievements for personal selling in the future.

Representing the insurance press on the program were Clifford De Puy, "Underwriters Review"; Don H. Clark, "Local Agent," and Jerome Van Wiseman, "American Agency Bulletin."

Mr. De Puy said 34 percent of life insurance prospects declared agents are too high pressure. Others objected to those who were just trying to make their quotas or go to Bermuda. Favorable reaction came principally from agents who knew how to program and analyze needs. Sixty-four percent of prospects gave this as a first reason for selecting their agents. Other factors and their proportion of buyer selection reasons were personality and friendship, 21 percent; company stability, 10; reciprocity, 2.

Mr. Clark told of many interesting insurance methods in South America. He has recently returned from there.

### Observations of Van Wiseman

Jerome Van Wiseman predicted that within the next ten years one-half the present insurance papers will disappear and few if any will take their place, but those remaining will have twice the present circulation and twice the present dollar volume of advertising revenue. He believes the prestige of company advertising men will greatly increase and they will develop many scientific methods of checking advertising results and sales applications to all insurance practices. He foresees a much greater proportion of trade paper accounts from advertising agencies and far more advertising done through joint effort of all companies in the business. He paid high praise to the editorial staff of the insurance press. He said it compares favorably with any other business field. Advertising development in the trade press has been weak, partly because of a conservative attitude of company executives. He doubts that any single publication can do top work with both news and education. Interpretation and analysis of news and technical progress will receive greater attention. He quoted the late E. Jay Wohlegemuth of THE NATIONAL WRITER as stating correctly that the insurance press needs no subsidies and has full value to deliver. The insurance business is an isolationist business to a marked extent, he declared.

### COMMITTEE CHAIRMAN



JOHN A. LLOYD, Columbus, O.

Insurance Superintendent John A. Lloyd of Ohio presided over the meeting of the life insurance committee of the National Association of Insurance Commissioners, he being chairman. The committee met at the Edgewater Beach Hotel in Chicago and heard some life insurance executives as to their views on proper war clause, if any, to insert in life insurance policies.

ness is an isolationist business to a marked extent, he declared.

J. H. McNeil of the National Broadcasting Corporation research department told the luncheon gathering that security for the insurance business can be increased by more advertising to the public to create a better feeling toward insurance and a greater acceptance of insurance value. This can be done by selling some basic idea like beauty, health, protection, he said.

### Raymond Moley at Banquet

Raymond Moley, of early New Deal brain trust fame, was the speaker at the conference banquet Monday night.

President R. C. Dreher reported in his address as president that the 155 company members of the conference receive over \$3,500,000,000 annually in premiums.

E. M. Hunt, Mutual Life of New York, named competition as one factor to be considered in any program of national advertising. By competition he referred to advertisements of other insurance companies in the same magazine as well as the advertisements of other services and products. The purpose of advertising he defined as a method of introducing the insurance company and its representatives in a favorable way to the public. National advertising should not be geared, he said, to any job of making direct sales or to the purpose of enabling the company to point definite sales from any particular advertisement. He warned against accepting national advertising as any final answer to the advertising problem of the companies.

To tie up national advertising with local agents, the Northwestern Mutual Life, H. K. Schauffler of the National Board reported, provides its local agents with stickers which they may place on outside front covers of national magazines calling attention to the company's advertisement as that of the local representative. The sticker invites the reader to turn to page 10 and read the message of John Jones, the local agent. The agent then buys extra copies of the magazines, puts the stickers on them and distributes them to doctors' offices, barber shops and other local waiting rooms.

Frank S. Price, Prudential, presided at the noon luncheon.

(CONTINUED ON PAGE 21)

# Sales Helps..



## Speaking of Percentages...

The B.M.A. home office staff is constantly endeavoring to improve its service to the field organization, as may well be proven in the following facts and figures recorded for one day:

- 14.2% of policies mailed were on applications received the same day.
- 71.4% of policies mailed were on applications that had been in the home office less than three days.
- 73.7% of the claims on which final proofs were received for the day, were paid by draft the same day.
- 26.3% — or the balance of the claims — were paid by draft the following day.

This prompt, speedy handling of applications and claims—PLUS B.M.A.'S PORTFOLIO OF COMPLETE PROTECTION—is to a large degree responsible for the increase in volume of business being reported by B.M.A. salesmen month by month.

W. T. Grant, President

J. C. Higdon, Vice-President in Charge of Sales

# BUSINESS MEN'S ASSURANCE CO.

KANSAS CITY, MO.

## Robbins Takes Dire View of Washington Scene

### A. L. C. Manager Predicts Business Faces Grave Legislative Battle Soon

Col. C. B. Robbins, in his annual report as manager and general counsel of the American Life Convention, at the gathering in Chicago this week, asserted the belief that the monopoly investigation of life insurance has been highly critical of the business and has been for the most part hostile. Efforts have been made to show that state supervision is far from perfect and hints have been made as to federal supervision.

At recent hearings industrial insurance was dealt with and an attempt was made to show that the present cost of industrial is very high and that the whole system is extravagant. Colonel Robbins said that apparently the social security board would like to administer governmental industrial insurance, which it terms "burial insurance" for all of the people.

#### Prophecies Critical Legislation

Sooner or later the companies must face the problem of attempted congressional legislation providing for federal control and a bill virtually placing the government in the business through the social security board issuing industrial policies on the lives of citizens.

Life insurance has nothing to fear, he declared, from an impartial investigation, nor has the committee been able to produce any evidence that life companies are not sound in all respects. No facts that have been brought out can ever cause any policyholder concern as to the safety of his investment. If, however, the entire investigation has been to build up a case for federal regulation or ownership an entirely different aspect must be considered.

The original purpose of the committee was to investigate a presumed economic power which life companies might wield by virtue of enormous sums which they invest. However during all the numerous hearings the investment problem was mentioned only indirectly although nearly every other phase of insurance activity was taken up.

#### Exemption of Agents

Colonel Robbins mentioned with satisfaction the enactment by Congress of a bill stating definitely that agents compensated wholly by commission are not employees within the meaning of the unemployment compensation act.

Colonel Robbins recalled that for the past several weeks the A.L.C. headquarters has been making a study of war risk exclusion clauses and has sent to members a questionnaire on the subject. Several companies have always retained the clause in their policies, he declared. He expressed the hope that a uniform clause can be decided upon by the companies and the commissioners.

Colonel Robbins mentioned that the premium tax law has been revamped in most states so as to place the tax on a direct writing basis, following upon the famous Connecticut General decision. Annuities were brought within the premium tax laws of North Dakota, South Dakota and Tennessee, with a lower rate than that imposed upon life policies in the two latter states. Kansas, Michigan, Ohio, South Dakota enacted legislation to permit the use of aviation clauses or riders.

(CONTINUED ON PAGE 22)

## Holgar Johnson Is Feted in Pittsburgh

PITTSBURGH — Prominent men in many lines of endeavor paid tribute to Holgar J. Johnson, Pittsburgh general agent Penn Mutual Life and retiring president of the National Association of Life Underwriters, at a testimonial luncheon sponsored by the Pittsburgh association. Some 400 attended.

Responding to the tributes, Mr. Johnson said the 160,000 life agents who make an average of approximately 200,000,000 contacts a year can be one of the greatest forces for the creation of public good will.

"Our primary job as life insurance men is that of helping America to provide for its own financial security through personal initiative and private enterprise."

Mr. Johnson urged that the country mobilize for peace in order to keep out of war.

R. M. Stevenson, National Life of Vermont, presided as president of the Agencies Committee of Pittsburgh.

G. Harold Moore, general agent State Mutual, toastmaster, introduced prominent guests including Roger B. Hull, general counsel National Association of Life Underwriters; Charles W. Scovel, Northwestern Mutual; Graham C. Wells, New York, past presidents of the National association; Chancellor John G. Bowman and G. H. Clapp, president board of trustees, University of Pittsburgh; and H. M. McBratney, president Philadelphia association.

#### Wigginton Commends Johnson

Frank C. Wigginton, Bankers Life of Iowa and vice-president Pennsylvania association, commended Mr. Johnson for his services as state president.

Speaking for the Penn Mutual Life, E. Paul Huttinger, agency secretary, paid tribute to Mr. Johnson.

C. J. Zimmerman, newly elected president National association, said Mr. Johnson has brought prestige not only to his agency, his company and his city, but to all life insurance men.

Eric G. Johnson, brother of the guest and associated with him in the Penn Mutual, presented a scroll of honor from the Pittsburgh association, of which he is president.

#### Warning to Policyholders

OMAHA — The local branch of the Better Business Bureau has warned the public against men representing themselves as insurance agents seeking out holders of old policies with cash value.

Manager Dwight Holmes said he had had two reports where persons had been solicited. An investigation fee was suggested in one case.

## SEC Not to Present 2,000-Family Study at Public Hearings

WASHINGTON—The survey of industrial policyholders living in four city blocks in Boston which is being made by the Securities & Exchange Commission in connection with its investigation of industrial insurance will be included in its report but will not be the subject of public hearings. This canvass, described in THE NATIONAL UNDERWRITER of Aug. 18, is being made with the aid of a contingent of WPA workers who are interviewing residents by means of a very comprehensive questionnaire. At first it was assumed that the result would be presented at the public hearings held before the monopoly committee during August and September.

The Boston survey is aimed at determining the amount, cost and kind of insurance carried by families in the low-income and relief categories. Some 2,000 families will have been visited by the time the survey is completed. There are 25 WPA workers on the job, supervised by three SEC representatives.

#### Bank Insurance Angle?

Selection of Boston as the site of the study has caused insurance men to wonder if the choice might not be due to the SEC's desire to contrast the cost of industrial insurance with that of Massachusetts savings bank life insurance. Boston is one of the few areas where such a census would include policies written by savings banks. The SEC has shown itself quite friendly to the low-cost claims of the Massachusetts savings bank life insurance system and during the hearings held in June devoted an entire day to testimony by Judd Dewey, Massachusetts insurance department deputy in charge of savings bank insurance. Questioning by the SEC's special counsel, Gerhard Gesell, as well as Mr. Dewey's testimony emphasized all the alleged merits of bank insurance as compared with regular life insurance, with practically nothing on the unfavorable side.

#### Canadian Buyers Appear in U. S.

Insurance people in cities bordering Canada report that they have been receiving calls from a number of Canadians who have come across the border, with the idea of purchasing life insurance policies that do not contain war risk exclusions. Sometimes these calls are preceded by messages from Canadian insurance friends of the American agent. The American companies are on their guard to avoid taking on such risks, free of war risk exclusions.

## U. S. Agency to Insure Borrowers on Home Projects

### Farm Security Administration Arranges 40 Year Term Deal on Group Basis

Captain Edward Stone, of the Farm Security Administration, has been developing a plan to place a form of term life insurance coverage on all purchasers of homes in the department. This would cover persons buying homes in the 162 garden plot developments all over the country and also the purchasers of farms under the Farm Security Administration.

The matter of insuring the lives of these purchasers in the garden type projects was taken up with 320 life companies and most of them replied indicating they were not interested. Only 10 showed interest. Soon the plan will be in operation by which a term policy will be written covering each purchaser at a rate of \$8.25 per thousand at age 25 with dividends, as it will be participating.

Loans on these purchases are for a 20-year period but they can be extended to 40 years. This required a term policy spanning in some cases 40 years. Such contracts were not generally available. The plan will provide a decreasing death payment as the loan is amortized. Captain Stone says this provides a life insurance protection for people who would not have the money to buy it and assures dependents a home when the breadwinner dies before final payments are completed.

The premiums will be paid by the Farm Administration in a lump sum to the company. While all charges for principal, interest, management and insurance, etc., under the loan plan are paid monthly by the borrower, the insurance company gets its premium in lump sum covering all insured. A low premium was necessary to meet the paying abilities of borrowers and this made it especially difficult to work out a satisfactory plan.

The garden projects consist of house and ground of three quarters to 5 acres each.

#### Kentucky Home A. & H. Plans

LOUISVILLE — Ellsworth Regenstein, president Kentucky Home Mutual Life, in discussing plans of the company, for a new accident and health department, which will be in charge of Paul Sawyer, formerly with Continental Casualty, states that Mr. Sawyer will join the organization Oct. 16, and that it is planned to have the department in operation by Jan. 1.

Sherman Goodpaster, Kentucky commissioner, who, on a leave of absence, headed the speakers' bureau for Lieut. Gov. Keen Johnson in the primary. Tuesday was named head of the finance committee for Mr. Johnson in the fall campaign.

### Commissioner Knott Will Not Seek Reelection

TALLAHASSEE, FLA. — Commissioner Knott of Florida, serving his fifth term, announces that he will not seek reelection at the coming Democratic primaries and state elections. On his retirement date, Jan. 5, 1941, he will be in his 78th year and has been in service at the state capitol for 38 years. He retires on full pay of \$5,000 a year. No candidate for the place has been announced.

## PROMOTIONS BY SUN LIFE



C. E. REID

SETH C. H. TAYLOR

RAY H. FINGER

Important appointments in the agency organization of the Sun Life of Canada are announced. C. E. Reid, heretofore superintendent of agencies, eastern United States division, has been promoted to general assistant to Director of Agencies W. S. Penny. He will retain his title of superintendent of agencies and will in addition assume further authority during the absence of Mr. Penny when Mr. Reid will have the same authority as the director, including

the chairmanship of the agency advisory committee. Effective Nov. 15 Ray H. Finger, formerly superintendent of agencies, western United States division, has been transferred to a similar position in charge of the eastern United States, made vacant by the promotion of Mr. Reid. Seth C. H. Taylor, superintendent of agencies, sales promotion division, has been promoted to superintendent of agencies in charge of the western United States division, also effective Nov. 15.



## B. M. A. Makes Plans for 4th Decade at Excelsior Springs

**New Policies Announced  
—Vigorous Address Is  
Presented by W. T. Grant**

EXCELSIOR SPRINGS, MO.—Plans for a productive fourth decade were laid at the 30th anniversary jubilee convention of the Business Men's Assurance here. New policies were studied and successful underwriting methods traded. W. T. Grant, president and founder, gave a vigorous closing address.

New policies, which were presented by the insurance committee, Mr. Grant, Dr. E. F. Robinson, J. H. Torrance,



W. T. GRANT

L. D. Ramsey, L. L. Graham, L. H. McVity, actuary, and J. C. Higdon, chairman, included the following:

A new preferred whole life, issued in minimum amounts of \$2,500, providing for a guaranteed low rate during the first four policy years with an increase in the gross premium rate thereafter. However, the policy is issued on the participating plan and the present dividend scale of the company provides for a dividend the fourth year and every year thereafter equal to the difference between the fourth and fifth year premium. The rate at age 35 per \$1,000 is \$19.88 for each of the first four years; \$24.85 thereafter.

### Demand for 10 Years Certain

Due to prevalent changes in special life income and annuity contracts, there has been an increasing demand for life incomes and annuities providing for income payments for 10 years certain instead of 100 months as in the old forms. The B. M. A. is continuing its old forms, but has issued a new one providing for 10 years certain and increasing the maturity cash value from \$1,297 to \$1,522 in the case of men on special life income at age 65, and from \$1,595 to \$1,892 for women on special life income at age 60. The rate for men on the old form is \$33.74, on the new it is \$36.53, at age 35. For women, the old form was \$49.44, the new is \$55.56, at age 35.

Discount on premiums paid in advance has been reduced from 3½ percent to 3 percent.

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## N. Y. Appeal Court Hears Arguments in CIO Union Case

ALBANY—Determination as to who—if anybody—is to act as collective bargaining agent for Metropolitan Life agents in the greater New York City area moved a step closer this week with the arguing before the court of appeals, New York's highest court, of the state labor relations board's right to designate substitutes to hold hearings on charges of unfair labor practices.

The state labor relations board has for some months been faced with deciding whether to renew the expired one-year certification of the CIO union as bargaining agent, hold a new employee election, or decree that because litigation barred the exercise of the power to bargain the CIO certification has not expired but dates only from the time all legal barriers have been cleared away.

### Board Withholding Decision

While the question argued this week does not bear directly on the designation of a bargaining agent, the board is withholding its decision until the court of appeals decides on the right to appoint a substitute for a board member in hearings on unfair labor practices. In cases such as this the court of appeals usually gives a decision in about a month.

Some months ago the court of appeals upheld a decision by Justice Aron Steuer that the labor relations board, despite the Metropolitan's contentions, had jurisdiction over Metropolitan agents in the territory in question. However, the court of appeals decision came down just before the labor board's one year certification of the CIO industrial union as bargaining agent for Metropolitan agents in the New York City territory expired. Certification had followed the CIO's close victory in a labor board election but the Metropolitan refused to bargain pending final decision on its appeal from the board's ruling that it must bargain with the CIO.

The one year period having expired, anti-CIO agents constituting a majority of agents in the territory, petitioned the board for a new election. However, the Metropolitan had previously challenged the board's right to deputize an alternate to hear unfair labor practice testimony and had taken the matter to court. It is on this point, which was the one argued this week before the court of appeals, that the board is waiting for a decision before taking action on the collective bargaining question.

While the law is clear on the board's right to hold a new election, the board might run into legal snags with either of the other two courses, particularly in view of the fact that a majority of agents affected had asked a new election. The anti-CIO forces hold that their majority, as shown by the petition, represents a change in sentiment since the CIO won its closely contested victory more than a year ago. The CIO people still claim a majority, contending that the apparent majority of their opponents is due to some agents being afraid not to sign a petition asking a new election but nevertheless being pro-CIO and disposed to vote that way when assured the law protection of a secret ballot, as is provided in a labor board election.

### Haviland Holds Coast Meetings

F. H. Haviland, vice-president Connecticut General Life, conducted agency meetings in Los Angeles and San Francisco, and is holding a managers' meeting for all managers on the Pacific Coast in Los Angeles Oct. 6-8. The W. E. Gastil agency in Los Angeles is pitted against the New York, Philadelphia, the Chicago and Hartford agencies in the contest now running to honor the 50th anniversary with the company of R. W. Huntington, chairman of the board, and the 25th anniversary of President F. B. Wilde.

## WSM AGAIN GOES TO BAT FOR THE SHIELD MAN

On the job again this fall to help the Shield force make new friends is WSM, the Company's radio broadcasting station, with five programs weekly sponsored by the Company for its field men.

These programs are scheduled as follows:

Radio Patrol—Tuesday, Thursday and Saturday afternoon at 5:15 C. S. T. A program for the youngsters, with a practical study course of radio for those interested.

Pigskin Parade—Friday night, 9:30, featuring the music of Francis Craig and his Orchestra, with college and football atmosphere.

Fireside Singers—Monday night, 9:30, with music down through the years, and one of the finest choral groups in radio.

The Life Insurance fraternity is cordially invited to listen in with us and to submit any comment.

*The*  
**NATIONAL LIFE  
AND ACCIDENT  
Insurance Company, Inc.**

C. A. CRAIG, Chairman of the Board

C. R. CLEMENTS, President

HOME OFFICE NASHVILLE TENNESSEE



## Personality Held All-Important in Selling Process

**Vice-President Lovelace of New York Addresses Underwriters' Course**

NEW YORK—Making the sale is very largely the result of the salesman's personality—using the term in its broadest sense—on the mind of the prospect, said G. M. Lovelace, vice-president New York Life, the opening speaker in the New York City Life Underwriters Association's educational course.

The important thing to remember about this concept of selling, Mr. Lovelace said, is that personality means not just that a man seems pleasant and likeable, for even so he might lack other personality traits essential to success in selling. The term personality, he indicated, includes everything that the salesman brings to the selling process that makes an impression on the prospect: his knowledge of his business, the type of letters he writes, his ability to answer questions, his flair for making things simple and clear.

### Prospect Doesn't Analyze

The prospect, Mr. Lovelace pointed out, does not analyze all these points. He is aware only of an aggregate, general impression, which may be good, bad, or mediocre. The agent may have what is ordinarily considered an attractive personality yet leave a poor impression by making a confused presentation. On the other hand with real ability he may overcome the initial bad impression made, for example, by unfavorable appearance.

Mr. Lovelace also stressed the importance of planning one's work for a full year in advance—what is to be done and how to do it. It is a problem to widen one's market without losing the market he already has, Mr. Lovelace observed. He recommended careful analysis of the past year to determine what phases of work might be improved. For example, he said that a list of the number of applications for each month of the preceding 12 is often very illuminating. One month may show 10 applications, and the next one only two. He said it is often found that agents have a poor month after an extremely good one.

Plans for the year should include definite methods for increasing average size of policies and these should be followed right through the year. Analysis of the previous years' work should include sources of prospect, as it may be found that important classes of possible buyers are being overlooked. Analysis by type of policy is also useful, Mr. Lovelace said, as it may turn out that the agent has been neglecting some worthwhile types of contracts.

Prospecting, the speaker said, is handled far too casually by most agents and usually when there is a slump faulty prospecting is at the bottom of it. In case of a slump the thing to do is start a completely new prospect file, forgetting the old one entirely for the time being. No selling calls should be made but the entire time devoted to seeing centers of influence and devoting oneself exclusively to intensive prospecting.

L. N. Whitelaw, field instructor Prudential, will give the next lecture, Oct. 10, on "Life Underwriting Fundamentals."

Claris Adams, president, and Frank L. Barnes, vice-president Ohio State Life, attended a two-day agency conference in Minneapolis. C. A. Kneeland, state manager, was in charge.

## Neslen Announces New Committee Assignments

In a communication to members of the National Association of Insurance Commissioners, C. C. Neslen of Utah, the president, states that Commissioner Harrison of Arkansas has been appointed to work out a plan under which many, if not all of the commissioners and their friends, may travel together to the mid-winter convention city, Edgewater Park, Miss. Mr. Neslen said he desires to have an arrangement so that the members can travel in a special car or special train and visit and work while en route.

Mr. Neslen asked the members to pay particular attention to the matters pertaining to the committees to which they have been assigned. He asked that any problems that they have in mind be forwarded to the proper committees, to Mr. Neslen or to Secretary Jess G. Read of Oklahoma. The new committee appointments are announced this week.

### Finds Complete Harmony

Mr. Neslen states that he has been in touch personally with 28 commissioners and finds there is complete harmony in the official family.

"It is the wish of your new officers," Mr. Neslen states, "that at our winter and summer meetings, we will have earnest, constructive, harmonious committee work. We need have no concern with the entertainment features that are already being worked out by our friends in the south. An unusually attractive program is being arranged by Commissioner John Sharp Williams, III, (Mississippi, chairman executive committee). The advance program looks mighty attractive."

"Besides these entertainment features, out of justice to our constituents and our insurance associates, I feel we should give very earnest consideration to the work which we have been assigned. All chairmen have signified their desire to hold meetings and discuss subjects assigned them and to be prepared to give reports to the whole group in the general sessions of the convention."

"In the past we have had some excuse for not meeting in committees as the facilities were not always adequate and then, there has been considerable overlapping. Commissioner Williams reports that he has already arranged for ample committee rooms in which all of the committees can meet. The program committees will also arrange a schedule that will eliminate, as far as possible, overlapping."

The new committees of interest to life insurance readers are:

The new committee appointments are: Accident and health—McCormack, Tennessee, chairman; Hobbs, Kansas, vice-chairman; Caminetti, California; Harrison, Georgia; Rummage, Arizona; Fischer, Iowa; Lovejoy, Maine; Smrha, Nebraska; Rouillard, New Hampshire; Justice, West Virginia; Lucas, Missouri; Swain, Delaware; Emery, Michigan.

Blanks—W. A. Robinson, Ohio, chairman; C. B. Coulbourn, Virginia, vice-chairman; R. O. Hooker, Connecticut; R. R. Haffner, Illinois; Lloyd Thomson, Indiana; Ralph F. Knudson, Iowa; H. C. Higdon, Kansas; V. D. Rooks, Kentucky; T. H. O'Connell, Massachusetts; Charles Hansen, Missouri; Alfred N. Guertin, New Jersey; J. F. Collins, New York; W. L. Woolford, Pennsylvania; Will Harris, Tennessee; George H. McAteer, Washington; George Van Fleet, Texas; C. J. McCann, Florida; Ashby Thatcher, Utah.

Examinations—Read, Oklahoma, chairman; Earle, Oregon, vice-chairman; Julian, Alabama; Pink, New York; Fischer, Iowa; Caminetti, California; Newbauer, Indiana; Palmer, Illinois; Lucas, Missouri; Erickson, North Dakota; Woodward, Texas; Gough, New Jersey; Blackall (Zone 1), Connecticut; Bowles (Zone 2), Virginia; McCormack (Zone 3), Tennessee; Yetka (Zone 4), Minnesota; Harrison (Zone 5), Arkansas; Earle (Zone 6), Oregon.

Fraternal—Sullivan, Washington, chairman; Emery, Michigan, vice-chairman; Smrha, Nebraska; Lucas, Missouri; Palmer, Illinois; Fischer, Iowa; Taggart, Pennsylvania; Pink, New York; Hobbs,

Kansas; Walrath, Idaho; Schmidt, Nevada; Apodaca, New Mexico; King, South Carolina; Woodward, Texas; Duel, Wisconsin; McCormack, Tennessee; LaFrance, Quebec.

Group hospitalization and medical service—Smrha, Nebraska, chairman; Harrington, Massachusetts, vice-chairman; Palmer, Illinois; Jordan, District of Columbia; Bowles, Virginia; Justice, West Virginia; Walrath, Idaho; Caminetti, California; Swain, Delaware; Goodpaster, Kentucky; Rummage, Arizona; Conway, Louisiana; Lovejoy, Maine; Lucas, Missouri; Holmes, Montana; Morin, Rhode Island; King, South Carolina; Duel, Wisconsin; Harrison, Georgia.

Laws and legislation—Lucas, Missouri, chairman; Sullivan, Washington, vice-chairman; Palmer, Illinois; Earle, Oregon; Pink, New York; Blackall, Connecticut; Bowles, Virginia; Dunn, South Dakota; Hemenway, Vermont; Kavanaugh, Colorado; MacDonald, Wyoming; Rouillard, New Hampshire.

Life—Lloyd, Ohio, chairman; Kavanaugh, Colorado, vice-chairman; King, South Carolina; Pink, New York; Harrington, Massachusetts; Newbauer, Indiana; Hobbs, Kansas; Emery, Michigan; Conway, Louisiana; Gough, New Jersey; Bowles, Virginia; McCormack, Tennessee; Palmer, Illinois; Fischer, Iowa.

Sub-committee of life committee—Woodward, Texas, chairman; Bowles, Virginia, vice-chairman; McCormack, Tennessee; Gough, New Jersey; Lloyd, Ohio; Conway, Louisiana.

Social security—Swain, Delaware, chairman; Yetka, Minnesota, vice-chairman; Kavanaugh, Colorado; Knott, Florida; Hobbs, Kansas; Conway, Louisiana; Lovejoy, Maine; Rouillard, New Hampshire; Holmes, Montana; Morin, Rhode Island; King, South Carolina; Duel, Wisconsin.

Taxation—Holmes, Montana, chairman; Earle, Oregon, vice-chairman; Harrison, Arkansas; Woodward, Texas; Newbauer, Indiana; Hobbs, Kansas; Gontum, Maryland; Yetka, Minnesota; Kavanaugh, Colorado; Morin, Rhode Island; Smrha, Nebraska; Harrington, Massachusetts; Pink, New York.

Unauthorized insurance—Hobbs, Kansas, chairman; Erickson, North Dakota, vice-chairman; Lucas, Missouri; King, South Carolina; Swain, Delaware; Jordan, District of Columbia; Knott, Florida; Conway, Louisiana; Newbauer, Indiana; Rummage, Arizona; Schmidt, Nevada; Earle, Oregon; MacDonald, Wyoming; Hemenway, Vermont; Dunn, South Dakota.

Valuation of securities other than real estate—Pink, New York, chairman; Earle, Oregon, vice-chairman; Blackall, Connecticut; Gough, New Jersey; Palmer, Illinois; Fischer, Iowa; Harrington, Massachusetts; Boney, North Carolina; Lloyd, Ohio; Taggart, Pennsylvania; Woodward, Texas; Lovejoy, Maine; MacDonald, Wyoming; Schmidt, Nevada; Caminetti, California; Sullivan, Washington; Hobbs, Kansas; McCormack, Tennessee; Hunter, Ontario.

Interstate liquidation and reorganization—Newbauer, Indiana, chairman; Yetka, Minnesota, vice-chairman; Holmes, Montana; Smrha, Nebraska; Hemenway, Vermont; Apodaca, New Mexico; MacDonald, Wyoming; Caminetti, California.

Uniform code—Palmer, Illinois, chairman; Pink, New York, vice-chairman; Caminetti, California; Lucas, Missouri; Gontum, Maryland; Emery, Michigan; Taggart, Pennsylvania; Sullivan, Washington; Duel, Wisconsin; Fischer, Iowa.

Committee to study and make recommendations as to real estate appraisals and appraisal forms—Earle, Oregon, chairman; Emery, Michigan, vice-chairman; Hobbs, Kansas; Lloyd, Ohio; Palmer, Illinois; Pink, New York; Knott, Florida; Woodward, Texas; Caminetti, California; Harrington, Massachusetts; Fischer, Iowa; Taggart, Pennsylvania; Sullivan, Washington.

Mortality table—A. N. Guertin, New Jersey, chairman; R. O. Hooker, Connecticut, vice-chairman; Charles Hughes, New York; Lloyd Thomson, Indiana; Gordon Thompson, California; W. L. Harris, Tennessee; F. E. Huston, American Life Convention; A. C. Olsen, Oregon; P. J. Dunn, South Dakota; W. J. Beattie, Toronto; John S. Thompson, Actuarial Society of America; Charles A. Taylor, American Institute of Actuaries.

Special committee to consider and report on mortality table—Gough, New Jersey, chairman; Newbauer, Indiana; Pink, New York; Blackall, Connecticut; Sulli-

## Says "Ads" Should Stress Companies' Competitive Points

**Surveys Show Readers Remember Copy, Forget Advertiser's Name: Kobak**

NEW YORK—Life insurance advertising could profitably put more emphasis on selling the company, making readers conscious not only that they should buy insurance but that they should buy it from the particular company doing the advertising, according to Edgar Kobak, vice-president Lord & Thomas advertising agency. Mr. Kobak was struck with the absence of "company" angle in life insurance advertising and was at a loss to account for it. The possibility even occurred to him that the companies might have a gentlemen's agreement to refrain from competitive advertising.

Except for the advertising of a very few companies, few readers can name the company that ran any given advertisement, he said. This is indicated by surveys in which representative magazine readers are shown advertising copy with the company name deleted and asked to identify the advertiser. This type of check is one on which advertisers and agencies place great reliance.

### Good "Observation"

These surveys indicate that life company advertising gets a good degree of "observation," that is, the public can remember having seen the advertising and reading the text. It is in obtaining reader "identification" that most of the life advertising falls down.

The basis for not playing up the company angle more strongly, Mr. Kobak believes, is that agents and agency departments feel that if the advertisement will help get the agent a hearing, there will be no trouble about selling the prospect on the company. While this may ordinarily be true, there are frequently times when the agent has quite a job to sell his own company against some other to which the prospect may have taken a fancy, Mr. Kobak said.

### Aid to Agent Impaired

It is obvious, he said, that advertising is far more effective if it succeeds in creating a favorable impression not only for life insurance in general but for the particular company which the agent represents. Even if the advertising created a favorable reaction when the reader observed it much of its value is lost if the copy is not such as to make the reader remember the name of the company and link it with the agent of that company when he comes to call, Mr. Kobak pointed out.

Indications are that the use of a trade mark or other distinctive insignia helps considerably in establishing reader identification.

### Would Attract Better Men

"Life companies should be as competitive in their advertising as in their selling," said Mr. Kobak. "By doing so they will make it a lot easier for their salesmen and make it possible to build a higher type of agency organization

van, Washington; Hemenway, Vermont. Insurance publications committee—MacDonald, Wyoming, chairman; Erickson, North Dakota; Rummage, Arizona; Schmidt, Nevada; Gontum, Maryland; Conway, Louisiana; Apodaca, New Mexico.



and attract better men into the sales end. The present trend toward fewer and better representatives that is going on in the life insurance business is paralleled in many other lines, the automobile business, for example.

"Life insurance has done a great job of selling but the opportunities are greater than ever. I believe that more life insurance can be sold by selling not only the need but by being more competitive for the consumer's dollar."

### S. P. Ellis Is Honored at 50th Anniversary Dinner

CINCINNATI — S. P. Ellis, general agent Provident Mutual Life, was tendered a dinner on his 50th anniversary in the business. Mr. Ellis was appointed cashier at Cincinnati Oct. 1, 1889, and has served the company at Cincinnati continuously since that time. He was appointed a partner in the Cincinnati general agency with W. D. Yerger in 1907 and sole general agent in 1915. He was president of the Cincinnati Life Underwriters Association in 1915 and is a past president of the Provident Mutual General Agents Association.

Nearly 100 were present to honor Mr. Ellis, all of the Cincinnati general agents and managers attending, in addition to the members of the Ellis agency, and the following from the home office at Philadelphia: L. C. Ashton, vice-president and secretary; F. C. Morss, manager of agencies; M. L. Williams and W. D. Cross, assistant managers of agencies; E. A. Farrington, agency assistant, and Dr. C. H. Willits, medical advisor, together with General Agents J. R. Davis, Cleveland, and Nathaniel Reese, Detroit.

Numerous tokens of esteem were bestowed on Mr. Ellis by friends including the Provident Mutual's 50 year pin, presented by Mr. Morss, for the company, as well as gifts from his agency associates presented by E. W. Simpson, from the local underwriters association by Lee Scheuer, Cincinnati general agent for State Mutual, and others from the Cincinnati General Agents Association and from Mr. Ellis' good friends outside of the insurance business.

C. Vivian Anderson, member of Mr. Ellis' agency, acted as toastmaster and pointed out that there are apparently only four men with 50-year records with one company in Cincinnati and only a few score nationally. Provident Mutual had 71 million in force and 17 million of assets when Mr. Ellis started with it. Today his agency alone has nearly half that much in force.

### Nova Scotia Supervisors Named

Arthur S. Barnstead has been appointed superintendent of insurance, and Charles Lamb, deputy superintendent for the province of Nova Scotia. These appointments have been made by the governor-in-council pursuant to legislation passed at the last session of the assembly which authorized such appointments for the first time. They do not involve any change in the insurance statutes of the province but relate solely to their administration.

Mr. Barnstead has been deputy provincial secretary and clerk of the executive council for Nova Scotia since 1918. He is also registrar of joint stock companies. For several years he has been responsible for the administration of the statutes relating to insurance and been the adviser of the government on insurance matters. During recent years he has represented his province at the annual conference of the superintendents of insurance and occasionally at the annual meetings of the National Association of Insurance Commissioners.

Mr. Lamb has been Mr. Barnstead's first assistant as deputy provincial secretary and registrar of joint stock companies for several years.

Leon N. Lefebvre, of the Portland, Ore., agency of Equitable of Iowa, was No. 1 agent in number of applications and placed sixth for new business for the year to date and fourth in applications.

### Lincoln National Leader to Be Highly Honored



O. F. GILLIOM

Officers of the Lincoln National Life will tender General Agent O. F. Gilliom of Berne, Ind., a testimonial dinner Oct. 10 in commemoration of his 25th anniversary as a member of the Consecutive Weekly Production Club. More than 150 friends, agents, and home office officials will attend.

A. F. Hall, chairman of the board; President A. J. McAndless, and Vice-president A. L. Dern will appear on the program. C. T. Habegger, president of the Berne chamber of commerce, will speak for the community. Mr. Dern will serve as toastmaster.

Dean of the Consecutive Weekly Production Club members, Mr. Gilliom has compiled a record outstanding not only for regularity but also for volume and quality of business produced. On six different occasions—in 1911, 1914, 1915, 1916, 1917 and 1920—he was named the largest personal producer for the year. His name has been engraved in the limestone wall of the home office lobby in recognition of each of these achievements. His record appears even more remarkable when it is known that he has established it in a small farm community where it was necessary first to overcome religious objections to life insurance.

### War Boosts Life Insurance Business in Canada

TORONTO.—Contrary to expectations in some quarters, the war is tending to increase rather than decrease public interest in life insurance. Both among men and women joining the active service forces, and those who for age or other reasons are likely to continue in civilian life, the whole problem of life insurance is being studied in Canada now more carefully than ever.

V. R. Smith, general manager Confederation Life, said September business of his company had shown a material gain.

"People in such times as we are going through are beginning to realize the protection afforded by life insurance," he said.

The trend toward higher prices and the inflationary elements, generally present under war conditions, also are causing many men to ask themselves if they are carrying enough insurance.

With the experience of the last war in mind, they realize that the cost of living is likely to advance substantially in the coming months. This will mean that in order to protect their families against hardship in the event of their death, they would have to have more insurance.

One leading producer says he has

found war clauses an insuperable objection only in a few cases. Those who have no intention of going out of the country are not affected, of course. Those who are already in the army or navy or who are thinking of enlisting are ready to pay a little more for the protection of their families.

### J. P. Mullane Is Honored

More than 100 attended a breakfast in Kansas City honoring John P. Mullane's 30th anniversary of service with Columbian National Life, of which he is general agent. W. M. Deramus, executive vice-president Kansas City Southern Railroad Company, was toastmaster. R. J. DeMotte, president chamber of commerce, spoke appreciatively of Mr. Mullane. C. E. Johnson, chairman Western Association of Railroads, offered his best wishes. Mr. Mullane has an extensive business in the railroad industry.

Hiram Kincaid, president Kansas City Life Underwriters Association, extended

congratulations from that organization and Earl Mercier, president, spoke for the General Agents & Managers Association. George L. Dyer, Sr., of Columbian National, St. Louis, presented to Mr. Mullane in behalf of the general agents an engraved gold fountain pen, and A. A. McFall, vice-president of Columbian National, presented to the honor guest a 30-year service emblem.

Mr. Mullane responded appreciatively. General agents of Columbian National from six cities attended.

Agency Vice-president W. V. Woolen of Capitol Life of Denver contemplates a trip of several weeks' duration beginning Oct. 7, during which he will visit agencies in Texas, Oklahoma and New Mexico.

Hubert H. Calkins, Saginaw, an expert accountant, has been added to the examining staff of the Michigan insurance department and has joined a group of examiners at work in Detroit.

What a man has and what a man wants determine his success as a life underwriter.

He must have character and aptitude;

He must have an unwavering belief in the institution itself;

He must be proud of his calling and of his opportunity to serve.

He wants a sturdy, soundly-managed company;

He wants a complete portfolio of policy contracts covering all ages and all life contingencies;

He wants a sympathetic underwriting service which will enable him to serve his clients completely;

He wants a liberal, non-forfeitable contract, uniform in all its terms and conditions, direct with the Home Office;

He wants continuous, helpful training and supervision, and the stimulation of an aggressive agency program.

Great Southerners are successful life underwriters.

We need more men like these.



## GREAT SOUTHERN LIFE INSURANCE COMPANY

E. P. Greenwood  
President

Home Office  
Houston, Texas

## Commissioners Weigh War Risk Issue

(CONTINUED FROM PAGE 1)

action. Their viewpoint was that the definite adoption of a war clause now would be a slap at the administration and indicative of a belief on the part of life companies that the United States is shortly to enter the war, which might be used by the opponents of the arms embargo repeal.

One commissioner in urging that a war clause be agreed to now, even if it may not be adopted until some time in the future said that "we think the agents should continue to sell life insurance, not war clauses." He predicted competitive selling in regard to war clauses unless there were uniformity.

### Superintendent Lloyd Presides

John A. Lloyd, Ohio superintendent, presided at the joint meeting of special committees of the National Association of Insurance Commissioners, American Life Convention and Life Presidents Association. In addition there were present members of the National Fraternal Congress and representatives of individual companies not belonging to either of the two major life bodies.

Mr. Lloyd explained the purposes of the meeting, saying that home office executives of many life companies had indicated that they wanted such a gathering to take place and had emphasized considerable advance interest in the meeting. The recent developments in international affairs, Mr. Lloyd said, had made it apparent that some constructive steps should be taken in connection with the sort of war clause or war restrictions to be adopted by the companies generally. Mr. Lloyd said that the various insurance departments have had submitted to them a number of types of proposed war clauses but that there appears to be very little uniformity. Mr. Lloyd emphasized the importance of life companies taking action that would lead to conformity with a so-called standard war clause.

### Rhodes Principal Speaker

The principal speaker at the open meeting of the three committees was E. E. Rhodes, vice-president Mutual Benefit. Mr. Rhodes remarked that the situation confronting the companies today is very similar to that which prevailed in 1914, prior to the world war. The life companies took no action regarding the adoption of a war clause until it was practically certain that the United States would become involved. Mr. Rhodes reviewed briefly the meetings that were held prior to March, 1917, and said that while a standard war clause was agreed upon, it was used by very few companies, most preferring to use one embodying their own particular ideas.

Mr. Rhodes emphasized that the companies generally would like to take im-

mediate action permitting them to provide coverage for those falling into three classifications.

1. Foreign-born American citizens who may be called into military service abroad.

2. Aviation students who may go into some form of aviation service such as testing planes in this country.

3. Coverage for those who may be traveling abroad for various reasons but not with any military purposes in mind.

### Desire Uniform Action

Mr. Rhodes said that the companies would like to arrive at some uniform action permitting them to cover risks of this kind on the proper terms but that most companies would rather defer the consideration of a permanent or general war clause covering all military service. Mr. Rhodes said that until there is a practical certainty that the United States would be involved in a war many companies do not wish to take any action regarding the adoption of a general war clause.

Upon being questioned by several of the commissioners Mr. Rhodes said that while his committee would favor the adoption of a standard clause covering the three types of risks enumerated, yet they would not want such a clause to be hide-bound. He said that he hoped the commissioners would be sympathetic to the views of any individual company wishing to deviate somewhat from the standard provisions. He was asked afterward if such suggestions as he was advancing would not defeat the standard form, to which he replied he thought they would not. For instance, he declared, some companies might wish to charge a single premium for assumption of the war hazard, others would prefer to collect an annual charge and there would be minor points of this sort that would not cause any departure from the broad principles of any standard clause adopted.

### Attitude of Fraternals

Mrs. Frances D. Partridge, supreme secretary Woman's Benefit, president of the National Fraternal Congress, said that the fraternal societies want a uniform clause adopted. The possibility of the United States entering the war creates a special problem for the fraternals, Mrs. Partridge remarked, because of the open contract the fraternals issue. She said that any war clause adopted would have to include provisions including not merely participation in military service for defensive purposes but to cover also those going overseas. She remarked that there were present the presidents of a number of the leading fraternals.

O. E. Aleshire, president Modern Woodmen, also spoke for the fraternals. He said that the interests of all compa-

nies writing life insurance are common and that the fraternals desire to join with all other groups. He explained that Modern Woodmen operates in some Canadian provinces and that since Canada's declaration of war Modern Woodmen has withheld the issuance of certificates until it could determine what restrictions regarding military service might be taken by companies generally. He explained that in the last war Modern Woodmen had asked its members to contribute to a patriotic fund out of which war death claims were paid and that at the conclusion of the war there was something left over in the fund. Modern Woodmen, he said, would not write those not citizens of the United States except in Canada and the subjects of Great Britain.

### Question of Extra Premium

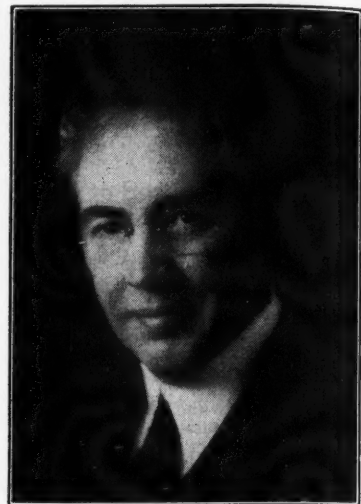
Superintendent Lloyd asked Mr. Rhodes if the committee had considered an extra premium to be charged. Mr. Rhodes stated that in some cases the companies might want to exclude certain forms of aviation service while for others there might be an extra premium. Mr. Rhodes spoke a word in behalf of the Canadian companies, saying that in this country they are in a different position from the American companies. He asked that they be permitted to do in the United States what they have already done in Canada regarding war clauses.

George W. Bourke, actuary Sun Life, acted as spokesman of the Canadian companies at the suggestion of R. Leighton Foster, manager Canadian Life Officers Association. Mr. Bourke said that when Canada declared war the Canadian companies immediately worked out a war clause but that now they are developing a new one that would be adopted before long. Under the present clause military service within the confines of Canada is not restricted. The policyholder must get beyond these boundaries before the war clause becomes effective. Beyond the prescribed boundaries there is total exclusion. Mr. Bourke explained that there is paid on account of any policyholder who meets death in excluded military service the premiums that have been paid with interest. Mr. Bourke said that the Canadian war clause is uniform in principle but not in wording and that the scale of extra premiums, while uniform, is subject to change at any time. The premiums have now been altered once and may be several times in the future after experience develops. Mr. Foster asked Mr. Bourke if any special consideration would be asked by the Canadian companies and Mr. Bourke replied very positively in the negative, saying that the Canadian companies would be governed by any action taken by the American companies.

Ross Moyer, actuary Continental Assurance and chairman of the American Life Convention committee, confirmed the position that Mr. Rhodes outlined for the Life Presidents. Some interesting observations were made by Percy Evans, actuary Northwestern Mutual Life. Mr. Evans said that he sees no present necessity for a war clause but expressed the hope that the thinking on the adoption of a war clause would be done well in advance. A company should be ready with an agreed-upon war clause so as to be ready when the need arises. No one can tell when the need may arise. Mr. Evans said he felt the commissioners should not adopt or recommend a war clause carrying a higher premium for foreign military service than for service in the United States. He said that there should not be any distinction between these two classes of military service.

The insurance commissioners' com-

## Three-in-One Drive



T. W. APPLEBY

During October Ohio National field men are engaged in a special month's effort in honor of President T. W. Appleby. While October is usually set aside for president's month, this year it is also the 30th anniversary of the company's founding and Mr. Appleby's silver anniversary with the company, so it is in the nature of a "three in one" celebration. Mr. Appleby is a leader in many civic, church and philanthropic activities in Cincinnati.

mittee which consisted of 14 members turned out a big attendance. The only absentees were Gough, New Jersey; Conway, Louisiana, and King, South Carolina. Several brought their deputies or other attaches so that the commissioners delegation consisted of more than 20.

### Clinger to Guardian in Cleveland

James J. Clinger has been appointed manager of the Cleveland agency of the Guardian Life. He is an alumnus of Miami University and Cleveland College, and entered life insurance as an agent in Cleveland. Three years later he was appointed manager of an agency in Akron, O., returning to Cleveland in 1936 to engage in managerial work.

He succeeds R. K. Kriss, who has been in charge of the agency since the transfer of his former co-manager, J. G. Dunne, to the Guardian's Toledo agency. Mr. Kriss will continue with the agency as assistant manager.

### Texas Insurable Interest Ruling

Attorney-general Mann of Texas has ruled that a foster parent of a boarding home for children does not have an insurable interest in the child or children boarded in the home when unrelated by either blood or affinity. Foster parents would have an insurable interest in the life of the child if related within the degree considered necessary to sustain such insurable interest, it was held. The courts have held that this relationship must be close as the second degree.

### Specht Takes Minneapolis Post

George A. Specht has been named general agent in Minneapolis for the National Life of Vermont, succeeding W. W. Hunter, who recently was appointed Minneapolis general agent of the John Hancock Mutual Life.

Alexander White, agency secretary Bankers National Life, is convalescing at his home. He recently returned from Greenville hospital, Jersey City, N. J., where he underwent an emergency appendicitis operation three weeks ago.

## FIELD SUPERVISOR WANTED

A progressive (non-participating) life company of substantial age and size has an opportunity for you, if you can fully measure up to the following requirements:

A record of successful personal production.

Proven ability to do actual work (in conjunction with General Agents and Managers) of selecting, recruiting, training and supervising agents.

Ability to assist the agency officer in supervision, control and development of present General Agents and Managers.

Ability to assist in recruiting new General Agents or Managers in case of replacements and development of new territory.

Must be between the ages of 35 and 45, with clean record, of good character and habits—industrious, conscientious, loyal and trustworthy. Must be willing to travel continuously. (Territory—eastern, midwestern and southern.)

This is an opportunity to take an active part in a real program of agency development, systematically laid out by a company with which you would be proud to be connected. Give full information in first letter covering all the requirements mentioned above.

State age, whether married or single, and present income.

Enclose a recent photograph.

Replies will be treated as confidential.

ADDRESS—"PROGRESS," c/o THE NATIONAL UNDERWRITER  
175 W. Jackson Blvd., Chicago, Ill.

## POSITION WANTED

Man, 37 years old, with 15 years' experience annual production \$300,000 upwards. Replies confidential. Interested in making a connection in the Detroit area with good substantial old line company.

ADDRESS K-54,  
THE NATIONAL UNDERWRITER  
175 W. Jackson Blvd., Chicago



## Take Testimony on \$800,000 Loan

A special master in St. Louis has been taking testimony in recent days to determine whether a suit to recover losses resulting from an \$800,000 loan in 1932, should be prosecuted against the 13 then directors of the old Missouri State Life. The loan was originally obtained from three St. Louis banks by Julius H. Barnes, then chairman of Missouri State, with the agreement that Missouri State would take over the loan in 30 days. Frank O. Watts, chairman of the First National Bank, testified that the directors of Missouri State decided to guarantee the loan on collateral that would not have been acceptable in ordinary banking practice, because of the desire to put an end to proxy fights which had disturbed Missouri State control. The Missouri department had threatened to place Missouri State in receivership unless conditions were improved, Mr. Watts testified.

The proceeds from the loan were used by Mr. Barnes and his partner, Frank Cohen, to buy from A. M. Greenfield of Philadelphia control of Kentucky Home Life, which held 148,050 shares of Missouri State.

Of the \$800,000, \$500,000 came from the First National Bank and the balance equally from Boatmen's National Bank and Mississippi Valley Trust Company. The collateral consisted of stock in Kentucky Home Life and two other insurance companies.

Mr. Watts said that an investigation that he conducted together with other directors convinced him that control of Missouri State by Greenfield was undesirable. Greenfield, according to Watts, wanted all real estate that was owned by Missouri State turned over to him for liquidation.

### Judge Dawson Testifies

Federal Judge Charles I. Dawson of Louisville was another witness.

Judge Dawson said that when he was offered the presidency of Missouri State the insurance company was torn by a proxy fight. He asked that his tenure be assured and that he be free to guide the policies of the company. He suggested that 148,000 shares of Missouri State stock be trusted, he said.

He inquired of the Missouri commissioner whether the company was sound, and learned that it was, Judge Dawson said. After he tried to obtain trusteeship of the stock, and after various plans had been made, Judge Dawson said the commissioner rejected the proposal. W. T. Nardin then was elected president. Dawson also declared that the commissioner forced an executive vice-president to resign, and forced the sale of some of the stock by Albert Greenfield.

### Accuses Nardin

Judge Dawson accused Nardin of never being sincere in his efforts to bring about the trusteeship. The stock held by the Louisville company was necessary for control of Missouri State. The Louisville company, Inter-Southern Life, was in receivership, and Ben S. Washer, attorney, was endeavoring to work out a plan for rescuing it, which eventually succeeded. Washer suggested that Greenfield be brought in to put \$1,000,000 in cash in the company.

This was agreed to by all parties, Judge Dawson said, and Kentucky Home Life resulted. In the summer of 1932, Julius H. Barnes and Frank Cohen announced their intention of buying as much stock as Greenfield in the sale.

They were not able to put up either cash or sufficient securities and bought only 12,500 of 50,000 shares of Inter-Southern, Judge Dawson said.

Judge Dawson asserted the Missouri Life directorate, of which he was a member, voted in December, 1932 to effect a loan of \$800,000 with which to buy stock from the Louisville firm. Judge Dawson said that as soon as he

heard of the transaction—he was not present at the meeting—he called Nardin. The latter said the company had obtained the money from the banks, and that the company would not have to put up a cent, Judge Dawson said.

Judge Dawson testified he warned Nardin of the danger of the step, and finally sent a letter denouncing the action and offering his resignation. The resignation was accepted, he said.

He also urged others to protest, and one or two of the directors resigned, Judge Dawson said.

Judge Dawson said he asserted from the first it was using the funds of the insurance company to get control, a reprehensible practice.

J. Dan Talbott, state finance commissioner and former state auditor, who was in charge of the Kentucky department at the time of the Missouri company's dealings with Kentucky Home gave a deposition. Mr. Talbott detailed the many complicated steps taken in an effort to bring about a better financial condition in each of the companies. Efforts to get a deposition from Gov. A. B. Chandler failed. While lieutenant governor, Chandler was co-receiver for the old Inter-Southern, with the Fidelity & Columbia Trust Company, for a short period.

## Direct Mail Award Winners Listed

In the list of prize winners announced by the Direct Mail Advertising Association a number of insurance companies are included among the leaders. The effective letters cup went to A. W. Theiss of the Ohio National Life. He is mail promotion manager for his company and is also chairman of one of the committees of the Direct Mail Association. Included also among the leaders were the Aetna Life, whose advertising manager is C. V. Pickering and Bankers Life, with J. H. McCarroll, advertising manager. Honorable mention was given Acacia Mutual Life, R. W. Osler, advertising manager; Connecticut Mutual Life, R. C. Berger, editor of publications. The advertising of the Hardware Mutual Casualty, P. G. Parkinson, advertising manager, and the Central Manufacturers Mutual of Van Wert, P. W. Purmort, assistant secretary, also qualified as leaders in this contest which was marked by excellence and number of entrants, according to the association. This is a nationwide competition participated in by the companies having outstanding advertising departments in all lines. The president of the association commented about the uniformly high excellence of all campaigns submitted in this year's contest.

### L. O. M. A. Course in Kansas City

KANSAS CITY—A study group of almost 70 has enrolled in the Life Office Management Association course which Walter Cluff, educational director of the Kansas City Life, will conduct this winter at the home office of the Kansas City Life. The response was so large that two classes on each of two evenings a week will have to be held.

### Hogan of Iowa to California

DES MOINES, IA.—Frank Hogan, an examiner and actuary in the Iowa insurance department for 16 years, has accepted a position with the California insurance department.

### Greet New San Francisco C-L-U's

At the first fall meeting of San Francisco C.L.U. chapter the new C.L.U.'s were introduced to the older members by L. M. White, chairman of the chapter. The speaker was Dr. H. J. Hoflich, professor of economics at the University of California.

As a tribute to Paul F. Clark, vice-president John Hancock district agencies presented him a 25-day writing of \$44,000,000 of ordinary on his 25th an-

niversary with the company. He was elected vice-president a year ago.

### Mutual's "Visual Seller"

The Mutual Life of New York has brought out a "Visual Seller" for use in selling educational insurance as part of its three-step plan which ties in with its advertising. The "Visual Seller" is an attractive booklet, illustrated by photographs and black-and-white drawings, vividly setting forth the problem of providing higher education and urging early planning to meet the future cost.

The three-step selling plan embodies advertising aimed at particular types of prospects, in this case for educational insurance. This aids the agent in deciding where to go and what he will say when he gets there. Second, the advertising, in mailing card form, takes the place of a pre-approach letter, and appraises the prospect of the agent's intended call. Third, the "Visual Seller" booklet is used to guide the interview.

### Neslen Reports on Utah Year

Total life premiums received by the companies in Utah for the fiscal year were \$10,029,786 and paid losses \$2,711,829, Commissioner C. C. Neslen stated in his annual report. Premiums collected by life companies for accident and health and other casualty lines written by some, were \$230,100 and paid losses \$119,663. Premium tax collected totaled \$374,839; license and registration fees \$32,469. Department operating expense was \$8,154.

In recognition of his completion of his first year as St. Paul branch manager of the Equitable Society, C. W. Streeter was guest of honor at a dinner given by a group of his district managers and leading producers. September was set aside as "appreciation month" in honor of Mr. Streeter.

Sales-making facts and figures are given in the **Little Gem Life Chart**.



## STUDY THE SQUIRREL!

Man can learn a lot by watching the ways of this forward-looking little creature.

He has wisdom enough to provide for the future by storing emergency rations where he can reach them in time of need.

Your prospect will agree that the squirrel has the right idea. Then you can show him a plan to store emergency dollars for himself or his family.



**The Prudential**  
Insurance Company of America  
Home Office, NEWARK, N. J.

## EDITORIAL COMMENT

### Taking Inventory of the Overhead

COMPANY officials are doing some very constructive and profound thinking these days along lines of greater service, higher efficiency and stricter economy. For example, take the excellent address that was made by Vice-president and Mathematician JOHN S. THOMPSON of the MUTUAL BENEFIT LIFE before the LIFE OFFICE MANAGEMENT ASSOCIATION on expense control. All of us in business are too greatly inclined to follow precedent and to allow customs to crystallize and become permanent. We do not take the trouble to analyze various details of the business, the course pursued, the machinery involved, to

ascertain if there is not a more economical and more efficacious way. As companies grow their machinery becomes more complicated.

Mr. THOMPSON pointed out that 40 percent of the insurance expenses of life companies or 28 percent of the total are for administrative cost. Here, he feels, is an opportunity to do some careful cutting and readjustment without in any way impairing the value of the service or rendering the machinery less efficient. It is a timely subject and along with other vital problems it deserves the most careful consideration.

### Compensation of Life Agents

THE fact that President O. J. ARNOLD of the NORTHWESTERN NATIONAL LIFE has devised a new plan of compensation for agents whereby properly selecting, selling and servicing business will become greater factors tends to emphasize the importance of getting agency remuneration on a basis where there will not be so many peaks and hollows. One of the biggest problems today that a general agent or manager has to meet is to get his men on a basis where they are able to make a living. There are many workers in the vineyard who are not making the grade under the plan

of compensation now in general use.

President ARNOLD has worked out a formula that will appeal to those agents that are seeking permanency, a larger compensation and a greater opportunity for their ability. Naturally his plan is experimental. However, it is a step in the right direction. Other companies are giving much thought to this important subject of agency remuneration and it is to be hoped that plans will be evolved that will give the men in the field greater stability and a more deeply seated confidence in their future.

### Becoming Monthly Income Conscious

THE amended social security act providing for benefits to be paid in the way of monthly income rather than lump sum has had a very accelerating effect on the sale of policies on the income plan, which, after all, in many cases is the most desirable and effective. The mechanics of the social security act in its benefits provide now a very excellent opportunity for a life agent to program the insurance of those receiving an income of \$3,500 or less. Even now many agents urge life insurance buyers having \$2,000 or \$3,000 insurance to arrange for monthly income for a limited number of years, two, three, four or five,

for example. That provides the dependents with an income until some readjustment can be made. Where there is a lump settlement, even in a small amount, the danger of dissipation is very great.

Life insurance companies not only created estates but they became the conservators or administrators, so-called. The monthly income settlement plan was one of the greatest boons that life insurance has given to the public. The social security act as now constituted will have a definite effect on the mind of the public, making people more and more income conscious as far as insurance is concerned.

### Claim Department and Salesmanship

WE ARE inclined to look upon the claim men as prosaic, those who are constantly coming in contact with trouble, and we do not appreciate their service and value in connection with selling. Those who listened to Secretary L. K. BABCOCK of the casualty liability claim division of the Aetna Life companies at the life agents' meeting, and who

came under the spell of his eloquent and impressive personality could but feel that the claim department in many ways is the most important department of a company.

In fact, the function of an insurance company is to pay losses. Mr. BABCOCK brought out very clearly the fact that good will is essential to the health and

substantial growth of a company. It is not found among its assets. Yet without good will the assets would soon dwindle. It is not only necessary to pay claims but it is highly necessary for a claim department to establish the right way of settling claims. That builds good will. Often we find that a claimant has finally secured from the adjuster what the former desired and for which he contended. Yet the adjustment has been done in such a sorry way that the claimant becomes sour and hostile. He is lost to the company as a customer.

There are companies that are alike in many respects and yet they may differ in their claim service. When an agent sells a policy he should be able to sell

the highest form of claim service. He should feel that his policyholders, if they have a claim will be treated sympathetically, conscientiously and politely. An adjuster can go the whole course if he is dealing with an honest man. If he finds that a claimant is imposing on a company, that is a different story. Most claimants do not desire to gouge.

The building of good will, Mr. BABCOCK brought out, is one of the essential factors of a claim department. Not only should the claim department try to save business for the agent and company, but to be able to add more to it by creating satisfied claimants who are, after all, the best advertisers of a company in a community.

## PERSONAL SIDE OF THE BUSINESS

G. A. Buzard, cashier in the Dallas office of the Travelers, was honored with a luncheon in celebration of the completion of 25 years with the company.

For Commissioner Earle of Oregon, opening of the hunting season this fall meant his longest vacation in his five years as commissioner and his 21st successful deer hunt in as many years. He was away from his office seven days, frequenting his favorite hunting grounds in the remote Steen Mountain district in southern Oregon.

Minneapolis insurance men were active in the centenary celebration there this week. O. J. Arnold, president Northwestern National Life, is president of the civic council which sponsored the event. A. R. Hustad of the White & Odell agency was chairman of the visitors' committee, and women from several insurance offices were hostesses. The Northwestern National Life and Minnesota Hardware Mutual had floats in the centenary parade.

A. W. Theiss, advertising manager Ohio National, Cincinnati, was reelected a director of the Direct Mail Advertisers Association at the annual meeting in New York City.

E. H. Mulock, president Central Life of Des Moines, has returned to his home after suffering a recurrence of a kidney ailment in Chicago, and is reported as "much better." He only recently returned from an extensive west coast trip.

His personal physician, Dr. Lester Powell, flew from Des Moines to Chicago to attend him. Mr. Mulock underwent operations for removal of kidney stones in 1936 and again in 1937.

Earl B. Smyth, president of the Fidelity Union Life of Dallas, has recovered sufficiently from a long illness to go to his office for a short time each morning. It will be several weeks before he will be able to take over all of his duties.

W. H. Meub, Indianapolis general agent New England Mutual Life, has been named on the executive board of the Indianapolis Sales Executives Council.

Miss Lois M. Beatty, head of the mailing department of the Occidental Life, Los Angeles, has retired on pension after 20 years service. She was presented a 20-year diamond service pin by

Executive Vice-president Dwight M. Clarke, and a handsome electrical clock by her fellow employees.

E. J. Jeffries, Jr., general counsel of the Maccabees, is a candidate for mayor of Detroit at the primary election Oct. 10. He is now president of the council. His father, the late E. J. Jeffries, was for many years Michigan state manager of the Maccabees.

Dean Bryant, Provident Mutual Life, director of the Life Underwriters Association of Los Angeles, is recovering from an appendicitis operation.

G. E. Murphy, general agent Home Life of New York in Minneapolis, is making a three weeks vacation trip to New York, Washington and other eastern cities, accompanied by Mrs. Murphy.

Thirty years of service with the Volunteer State Life was celebrated by Gilbert S. Harris, registrar. Officers gave a surprise party in Chattanooga in honor of Mr. Harris when he was presented with 30 American Beauty roses. President Cecil Woods, Vice-presidents R. F. Evans and Dr. John B. Steele and other officials talked.

R. B. Hull, managing director National Association of Life Underwriters, took in the annual meeting of the American Life Convention in Chicago this week, swinging back toward the New York head office from the St. Louis convention of his organization. He will leave Friday for New York. Mr. Hull while in Chicago also attended the dinner given there to honor C. J. Zimmerman, Chicago general agent Connecticut Mutual, the new National association president.

G. R. Wettengel, Appleton, Wis., district agent Northwestern Mutual Life, was honored by members of his agency staff at a dinner on completion of his 35th year with the company. He has written over \$7,500,000 of business since 1904. He was presented a pen and pencil set and a bouquet of roses by his field force in Appleton and surrounding cities. The agency is under the Cameron & Carroll general agency of Oshkosh.

T. F. Powers, New York Life, Racine, Wis., who was recently honored at a dinner commemorating 50 years of service with that company, died there at



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the age of 82. He was one of the oldest active life men in the northwest from the standpoint of continuous service.

Gross R. Scruggs, founder of Gross R. Scruggs & Co., Dallas general agency, who retired eight years ago, died at his home where paralysis had confined him since 1931. He was born in

Robertson county, Texas, in 1868, and went to Dallas with his family at the age of 9. In 1901 he founded Scruggs & Co. and also organized and headed the Great States Life and Scruggs Investment Finance Company. Since 1931 his son, Stuart B. Scruggs, has managed the agency.

## NEWS OF THE COMPANIES

### Lapsed Thrift Certificate Holders Lose Rights

LINCOLN, NEB.—In a decision from which two judges dissented, the state supreme court held that all holders of thrift certificates issued by the Cosmopolitan Old Line Life who allowed them to lapse by failure to pay monthly installments during the time the company was in the hands of the Nebraska department are barred from participating in the proceeds of the liquidation of its assets being made by the Lincoln Liberty Life under court order. The majority says the life insurance carried was so small a part of the contract that the rules of law relating to life insurance companies do not apply, and that the clearly expressed condition in the thrift certificate that provides for lapsation if installments remain unpaid for a definite period prevents a court from granting relief. Several thousand policyholders are involved in the test case.

The minority opinion is caustic in its references to life insurance companies that try to escape the insurance laws by "hybridizing" their contracts. It says the certificate definitely constitutes a life insurance contract, and the fact that a thrift or savings scheme is incorporated does not change its character. Whether the thrift or savings business is such a reasonable incident to the life business as to permit a company to engage in it is not discussed, but assuming that it is, the opinion says "it is clear that as a matter of public policy the contract in which such a scheme is integrated must still conform to the requirements of the law applicable to insurance contracts." It says the insurance obligation impregnated the entire contract and left it subject to insurance laws.

### Continental American Has Founders Month Drive

Continental American Life agents are engaged in October in an anniversary celebration to wind up with selection of 32 members of the Founders Club on the basis of paid production. The company was founded by Philip Burnet 32 years ago and its first policy was dated Oct. 1, 1907. Each year the birthday is celebrated by a special campaign in October, and last year the "Founders Month" plan was inaugurated, an agent being selected for each year of the company's age.

W. M. Rothaermel, agency vice-president, announced the contest to field men and designated Oct. 2 as "Philip Burnet Day," appealing for at least one application from each agent on that day.

The agents who become members of the 1939 club will be guests at a special luncheon at the home office in November, and will receive membership certificates. Two leading agencies each will receive the founders month trophy, a small desk size cup.

### American Life Proposals

Circuit Judge Carr at Lansing, Mich., has set Oct. 17 as the final date for submitting bids for reinsurance of American Life of Detroit, which is in receivership. A court hearing is scheduled for Oct. 31, on the proposal. It is understood that among the companies that are likely to be interested are American Mutual Life of Des Moines, Central Life of Des Moines and Michigan Life.

### Shenandoah Life Will Reorganize Its Management

ROANOKE, VA.—The Shenandoah Life has taken steps to reorganize its management, the directors having decided to create the position of chairman of the board and of the finance committee. A committee was appointed to select a man for the new office. This action meets with the full approval of the Virginia department, Commissioner Bowles announced after being advised of the action of the board. It is in line with a suggestion he made that the company management be reorganized, after it had been subjected to sharp criticism because of certain financial transactions and practices disclosed in a recent examination by Virginia, Tennessee and the District of Columbia.

Commissioner Bowles had suggested specifically the creation of the position of vice-president and general manager and that a thoroughly experienced and competent life insurance man be obtained for the position. In a statement approving the action of the directors, Commissioner Bowles added:

"The criticisms of certain practices of the Shenandoah Life and its management which have recently received such unfortunate publicity were not intended to reflect upon the high character and standing, personal integrity or honesty of purpose of President E. Lee Trinkle, Executive Vice-president J. P. Saul, Jr., or any other individual officer of the company. The recent examination of the company showed it to be in splendid financial condition, as we have publicly stated before."

### Metropolitan Names Dunlap as Third Vice-president

Earl O. Dunlap, assistant actuary Metropolitan Life, has been appointed a third vice-president. He will have supervision over the accounting and auditing systems and related functions.

He was formerly connected with the Pittsburgh Life & Trust and entered the service of the Metropolitan in August 1917, when it assumed the business of the Pittsburgh Life & Trust. He was made an assistant secretary in December, 1923, and an assistant actuary in January, 1927.

### E. A. Wiggin to Home Office

Edwin A. Wiggin who has represented Capitol Life for several years as divisional supervisor in Texas, has been called into the home office in Denver. He will become home office supervisor, under the direction of Agency Vice-president Woollen.

### Postal Union Honors Malone

Postal Union Life has designated October as W. R. Malone month in honor of its president. Agents who meet the qualification requirements will be the guests of the company at a luncheon Nov. 5.

### Paquin Moves to Los Angeles

L. N. Paquin, assistant superintendent of agencies of the Bankers Life of Des Moines, has moved his headquarters to Los Angeles.

### Honor President Boardman

The Wisconsin National Life is holding a special production campaign in October to honor President C. R. Boardman, who will celebrate his 79th birthday Oct.

## The UNION CENTRAL BULLETIN BOARD

**8,820 DIFFERENT POLICY CONTRACTS NOW OFFERED BY U.C.**

A recent check-up showed that Union Central, through its wide range of basic policy forms and various combinations of optional settlements, is writing contracts to satisfy 8,820 different needs for protection. Within this number there is a contract accurately suited to the requirements of practically every man, woman and child.

• • •

## IMPORTANT ANNOUNCEMENT

EFFECTIVE IMMEDIATELY,  
UNION CENTRAL OFFERS  
LIFE INSURANCE ON THE

## SALARY SAVINGS PLAN

28. Both the life and accident and health departments are participating with special merchandising prizes for those making 100 percent and 150 percent of their quotas plus special anniversary awards.

The Great Northwest Life has been licensed in Montana. It also operates in Washington, Idaho and South Dakota. An agency is being opened at once in Missouli. Later agencies will be established in Butte, Great Falls, Helena and Billings.

#### Mooers on Agency Trip

S. E. Mooers, vice president in charge of field work of the Acacia Mutual Life, Washington, D. C., is visiting several southern branch offices. His first stop was in Atlanta where he was guest of honor at a banquet which W. N. Thurman, member of the local branch office in that city, gave for a large group of his young men policyholders. Mr. Mooers was the principal speaker at the banquet. Mr. Mooers will visit Birmingham, Charleston, Charlotte, and Raleigh branches, returning to the home office on Oct. 9.

C. J. Johnson, Youngstown, O., district agent for Northwestern Mutual Life, completed 30 years of continuous service.

## LIFE SALES MEETINGS

### Patton Addresses Iowa Rally of Mutual Life of N. Y.

DES MOINES.—More than 80 Iowa agents of the Mutual Life of New York attended the annual agency meeting here, with George A. Patton, vice-president and manager of agencies, giving the principal address at the banquet. Mr. Patton was manager of the Des Moines agency 1925-1927 before going to Columbus, O., and later to the home office.

More than 60 counties were represented, with many of the agents' wives attending a special luncheon for the women and the banquet in the evening. Mrs. Elizabeth Kenney of Waterloo, Ia., a 15-year field club member, addressed the women at their luncheon.

Speakers on the general program included T. B. Read, Des Moines manager; J. W. Dunnette, Sheffield; E. S. Olson, Eldora; H. O. Leichsenring, South Amana; H. M. Livingston, Marshalltown; C. H. Barr, Fort Dodge; H. V. Taylor, Atlantic; C. S. Wesslund, Oskaloosa; F. G. Lundblad, agency organizer; B. D. Switzer, service repre-

sentative, and Carrie M. Bell, all from Des Moines.

W. J. Walker, Mason City, was toastmaster at the banquet.

### Detroit Branch of Mutual of N. Y. Holds Session

DETROIT.—Sixteen members of the Detroit branch of Mutual Life of New York have had substantial increases in full-year paid for business since Jan. 1. J. B. Macken, manager, declared at the annual meeting of the branch. Full-year paid for business to date totals \$2,930,000, compared with \$2,823,000 in the same period last year.

The company's new training course was introduced. It will be compulsory for all agents. Mr. Macken outlined the agency's progress and plans. J. E. Blanchard and R. E. Fowler spoke on "Prospecting;" Dr. A. W. Spitzley on "Hints on Selection;" G. L. Kemp on "Consecutive Weekly Production" and Douglas Custis, supervising assistant, on "How to Increase Your Average Policy." In the afternoon Roy Bricker discussed "Conservation;" E. C. Reed talked on "The Field Club;" K. O. Swayze on "Taxation and Its Relation to Our Business" and A. W. Hostetler, agency organizer, on "Psychology in Salesmanship."

J. Roger Hull, assistant superintendent of agencies, represented the home office and talked on "The Mutual Life" at a dinner.

### Northwestern Mutual Has Western Regional Rallies

Western regional meeting of Northwestern Mutual agencies will be held at Portland, Ore., Oct. 6-7, and San Francisco Oct. 16-17. Home office speakers at both meetings will include Edmund Fitzgerald, vice-president; Grant L. Hill, director of agencies; Joseph Lochemes, assistant secretary, and Warren Lundgren, assistant director of agencies. In addition, a group of outstanding producers will appear on each program with messages and sales demonstrations.

The general agencies participating in the Portland meeting, which will be held at Timberline Lodge on the side of Mt. Hood, will be those of L. F. Larson, Portland; M. H. O. Williams, Seattle; J. G. Reinhardt, Spokane; E. A. Crooks, Boise, Ida., and G. C. Baldwin, Great Falls, Mont.

At San Francisco the R. J. Shipley agency will be host to those of J. H. Kemp, Stockton; J. A. Carlson, Oakland; W. K. Murphy, Los Angeles; C. S. McMartin, Phoenix, Ariz., and Charles Guilford, Salt Lake City.

Earl McCroskey, Tacoma, Wash., regional director of the Northwestern Mutual District Agents Association, arranged special meetings for district agents attending both regional meetings, in which David Behlin, home office agency assistant, will participate.

#### Plan Visit to Mexico

Leading agents of the Phoenix, Ariz., branch of the Mutual Benefit Health & Accident and United Benefit Life, under Manager John Lambert, will leave Oct. 12 for a five-day visit in Mexico. One day they will be the guests of the governor of Sonora at Guaymas. A number of managers from other parts of the country will attend, including E. B. Brink, Detroit, and D. M. Brovan, northern California. The home office will be represented by Vice-president S. C. Carroll and C. E. Forbes.

#### Central of Iowa Conferences

The Central Life of Iowa held a northwest conference at Seattle and another conference at Minneapolis.

President E. H. Mulock and his assistant, Peter Hondorp, made the trip

to Seattle. General Agent Claude A. Kunz presided. Messrs. Mulock, Hondorp and George Carlin, educational director, attended the Minneapolis meeting. Fred Lundin, supervisor of the district, was in charge.

#### Russell Is Milwaukee Speaker

R. A. Holverstot, Wisconsin state manager Security Mutual Life of Binghamton, conducted a three-day sales conference in Milwaukee. President F. D. Russell, who attended, said that if the life insurance business is any criterion, America's economic outlook is bright. The insurance business generally is making a long range advance.

Commenting that life companies are getting away from "quantity hiring" of agents, he said they are engaging full-time, trained men who are anxious to help the prospect in his financial problems. The Security Mutual, he said, has reduced its agency staff by half since he became president in 1936, but is doing more business. Harry Kapp of the home office addressed the final session.

#### New England Mutual Regional

The New England Mutual held a regional sales conference at Excelsior Springs, Mo., for agents and general agents from Topeka, St. Louis, Omaha, Kansas City, Des Moines and Springfield, Ill. E. G. Mura, Kansas City general agent, presided. Attending from the home office were Charles Collins, superintendent of agents; W. E. Hays, director of agencies; Dr. F. R. Brown, associate medical director. Isadore Samuels, Denver general agent, attended. Agents conferred Oct. 5-6 and general agents and supervisors held their meeting Oct. 7.

#### Equitable Has Texas Rally

Executives and representatives of the Equitable Society from over Texas attended a three-day conference at Kerrville. W. W. Klingman, Texas general manager, was in charge of the sessions. Mervyn Davis, New York, vice-president in charge of underwriting, brought greetings from the home office.

#### Regional Meet at Atlantic City

A three-day regional meeting for general agents of the Connecticut Mutual Life in New Jersey, New York and Pennsylvania will be held in Atlantic City Oct. 9-11.

## MANAGERS

#### Cashiers' Group Admits Women

For the first time since the organization was formed women cashiers have been admitted to the Life Agency Cashiers Association of San Francisco at the first fall meeting. V. T. Motschenbacher, manager Sun Life, explained the work and services of agency cashiers as seen from the standpoint of the producer, the agency manager and the home office. A. F. White told about the "Age Change System" and later, as president of the new Life Agency Cashiers Association of the United States and Canada, reviewed the development of that organization.

#### Faser to Speak in Cincinnati

CINCINNATI — H. M. Faser, Jr., general agent Penn Mutual, Boston, will address the Associated Life General Agents & Managers here on "Profitable Recruiting and Financing of Young Men Out of College" in the second of a series on "Building a Profitable Agency."

#### Boston Managers Plan Outing

BOSTON—The General Agents & Managers Association will hold its annual outing at Charles River Country Club Oct. 10. J. V. Gridley, Connecticut General, is president. There will be golf and a banquet.



"...there's a Star in the West"

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## LIFE AGENCY CHANGES

### New General Agent at Minneapolis

P. M. Ryan, for many years a successful field man and recently supervisor and unit manager for the Murrell Brothers agency in Los Angeles, has



H. E. Wharton



P. M. Ryan

been appointed general agent at Minneapolis for the Mutual Benefit Life. He succeeds H. E. Wharton of the Mutual Benefit home office, who has been managing agent since the retirement of the former general agent in July, 1937. Mr. Wharton returns to the home office as assistant comptroller. His duties include the study of agency office methods and procedures along with auditing functions.

Mr. Ryan has devoted most of his business life to the Mutual Benefit, having joined its Lexington, Ky., agency in 1926 after a brief experience in real estate selling. He paid for \$188,000 in his first 10 months, earning honor roll rank in his first year, a record which he has maintained throughout his 13 years in the business. In 1934 he transferred to the Miami, Fla., agency and in 1937 he paid for nearly \$600,000 to lead the Miami agency and to rank 26th in the company's Leaders Club. In April, 1938, he was named supervisor in the Murrell agency.

#### Specht with National of Vt.

The National Life of Vermont announces the appointment of G. A. Specht as general agent at Minneapolis. He succeeds W. W. Hunter, who has become a general agent for the John Hancock Mutual Life. Mr. Specht is a native of Springfield, Minn., and he was graduated from Carleton College, where he was a quarterback on the football

team. He studied law and practiced for a time, then became manager of the Minneapolis branch of Sears, Roebuck & Co., and finally entered life insurance.

#### Griffiths to American National

Harry Griffiths has been appointed central Texas branch manager for the ordinary department of the American National of Galveston, with headquarters at Austin. He resigned recently as manager of the Houston agency of the Southland Life. He formerly lived in Austin for several years.

Mr. Griffiths has served as president of the Austin Association of Life Underwriters, was twice vice-president of the Texas association and was chairman of the legislative committee of the Texas association when the present agents' licensing law was passed. While in Houston he was a director of the Houston association.

#### J. G. Reddy Is Appointed

The appointment of J. G. Reddy as general agent for the Lincoln National Life in New Orleans, is announced. He entered life insurance in 1925 with the Missouri State Life. In 1928 he became general agent for the National Life of U. S. A. Mr. Reddy has represented the Lincoln National in New Orleans for the past nine years.

#### McGlade Spokane Manager

SPOKANE, WASH.—Grant McGlade has been appointed general agent for Central Life of Iowa for this territory. He has been in insurance here eight years and was formerly a unit manager for the New York Life. He succeeds L. J. Manetsch, who has returned to the personal production field.

#### Fearis Made Supervisor

V. T. Fearis, for the past five years with the Acacia Life in San Antonio, Tex., and with the Equitable Society in Corpus Christi, Tex., has been appointed supervisor for the Fidelity Union Life with headquarters in the Gunter building, San Antonio.

#### Texas Field Redivided

Following the resignation of C. D. Bubar as general agent at San Antonio, the State Mutual Life has redivided the Texas field. Morris Brownlee, general agent at Houston, will have charge of the southern half of the state,

including San Antonio. H. T. Childre, general agent at Dallas, will have supervision over the northern half.

#### Merkin Joins Eastern Life

Samuel Merkin has been appointed general agent for Eastern Life with offices at 11 West 42nd street, New York.

Mr. Merkin started in the insurance business in 1917 with Metropolitan Life. He was promoted to assistant manager in the Fordham district and in 1929 joined the Equitable Society as an agent. He subsequently was promoted to unit manager.

#### Starnes Made Field Manager

B. P. Starnes, who has been in charge of the Sweetwater district office of the Great American Life of San Antonio since 1932, has been advanced to field manager, with headquarters at Abilene, Tex.

R. D. Stallings is in charge of the dis-

trict office of the Great American at Seguin, Tex., formerly at Luling.

#### Covell Made Yonkers Manager

G. D. Covell, who has been field assistant at the Travelers' branch office at Yonkers, N. Y., since July 1, 1936, has been appointed manager there.

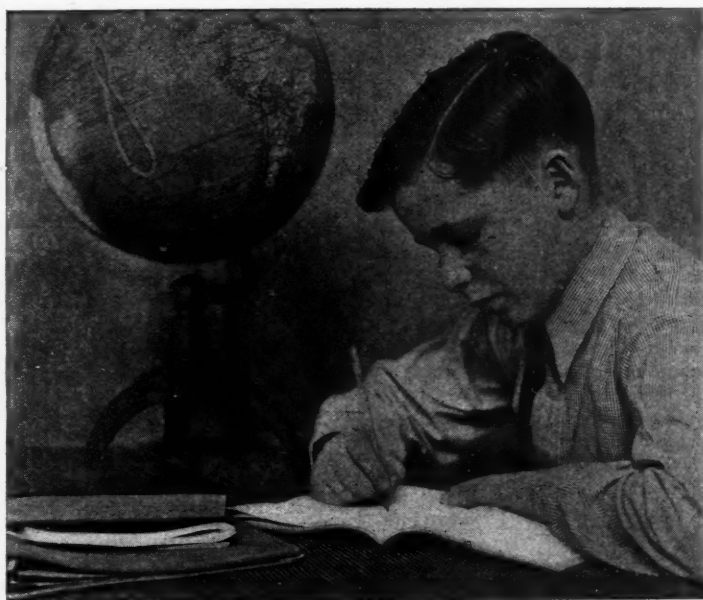
V. O. Wilde of Brooklyn, N. Y., has been appointed field assistant, working from the Brooklyn branch office, and R. M. Snyder, Middletown, O., from the Dayton branch office.

#### Liggett to Tyler, Tex.

D. G. Liggett, formerly Oklahoma State manager of the Southland Life, has been transferred to Tyler, Tex. The Oklahoma City office has been placed in charge of G. C. Harrison, pending appointment of a permanent successor.

#### New Western States Supervisors

The Western States Life of Dallas has appointed J. D. Calloway as super-



## Sheltered School Days Reward Your Skill

Making a man's money do what most needs doing often calls for extra low cost insurance covering the dependency period.

Our Family Maintenance plan provides an extra monthly income for 10—15—20 years without drawing upon the face of the policy and is convertible into any participating plan.

Even when combined with a retirement income plan the total premium is moderate. If converted to that form it completes retirement requirements when the dependency period is safely passed.

Our Family Maintenance plan repays study and is an efficient adjunct to your equipment.

**Connecticut General  
Life Insurance Company**  
Hartford, Conn.

### Great-West's Changes in Ontario



A. H. ROBINSON



E. M. ROY

The Great-West Life made two changes in its agency staff in Ontario. A. H. Robinson, formerly supervisor of the Toronto No. 1 agency, was appointed branch manager at Windsor. Succeeding him in Toronto is E. M.

Roy, who has had a successful sales experience with the Toronto agency. D. H. Young, former manager at Windsor, was transferred to Chatham as district manager in charge of the newly created district office there.

## The WALRUS



Fifteen fathers and their fifteen sons march shoulder to shoulder in the Onward March of Bankerslife, are being featured in a "Blocks and Chips" series now running in the Company's weekly publication, "Onward." No. 1 father and son combination in the series was R. B. and R. H. Cherry, Bankerslife Agency Managers in San Antonio, Texas, who, between the two of them, have a record of 78 years of service to Bankerslife, "Father" Cherry's dating back to 1885; son "Young Bob's" to 1915.

- BLC -

Hands across the Border—Bankerslife of Iowa, operating only in the U. S., is nevertheless helping Canadian companies sell life insurance in the Dominion to the north, writes a Saskatchewan life insurance man. Letter was inspired by a recent Bankerslife ad in Collier's, one of several American magazines which, the correspondent avers, circulates widely in Canada, presents "pictorial advertising such as yours that offers considerable assistance in our sales of life insurance in Canada."

- BLC -

When Richard J. Wise, Bankerslife man of the Company's Cincinnati Agency, took his final examinations for American citizenship on September 14th, there was rejoicing in his heart that he had fled the German village where he had practiced law following his graduation from famed Heidelberg University . . . Just the day before, news dispatches told of the bombardment by the French of that town near Germany's western boundary.

- BLC -

What is the lifetime of a good advertising message? Bankerslife of Iowa, pioneer in the field of direct mail advertising to prospects, is repeatedly recipient of evidence that the power of the printed word is one that often persists for a long, long time. Latest exhibit—the arrival at the Home Office of the Company of a sales promotion inquiry card which had been sent out from the Home Office between 25 and 30 years ago.

- BLC -

**BANKERS LIFE**  
DES MOINES  
Established 1879 **COMPANY**

visor for north Texas, with headquarters at Fort Worth. Lex B. Morris has been named supervisor at Bryan.

### Southwestern Life Changes

C. L. Simmons, formerly assistant manager of the Southwestern Life at Abilene, Tex., has been transferred to Tyler as assistant manager for east Texas. J. C. Smith, member of the faculty of Hardin-Simmons University since 1927, succeeds him at Abilene. He associated with H. L. Skinner, manager there.

### Name Loynes at Kingston, Ont.

A new sales branch for eastern Ontario was opened by the Equitable Life of Canada in the Royal Bank building, Kingston. G. J. S. Loynes was appointed manager.

### Shamen to Springfield, O.

Frank Shamen, Richmond, Ind., agent of the Equitable Society, has been named district manager at Springfield, O., by Manager Brook Woodward, Cincinnati. Mr. Shamen has been with the Equitable since 1935 and has never missed a month as a production club member by paying for at least \$10,000.

## POLICIES

### Philadelphia Life Changes

Philadelphia Life announces that new rates will become effective Jan. 1 and a revised policy form containing somewhat less favorable provisions will be put in use. The new rate schedule will affect almost all forms. On some plans there are minor reductions to take care of discrepancies that have accumulated but on almost all non-par forms there will be definite premium increases. The \$10 monthly disability clause will be used on retirement income and endowment policies maturing before age 60. A \$5 clause will be used on other plans. The guaranteed interest rate in settlement options will be reduced.

The management urges agents to get in touch with their policyholders at this time to sell additional insurance before the changes go into effect. The company is mailing an announcement to all holders of policies issued within 10 years on the theory that these represented the most insurable age and the policyholders to which the present organization could give best service.

### War Clause Mich. Actuaries' Topic

The war as it affects life insurance and possible rate changes and war clauses will be discussed at the first fall meeting of the Michigan Actuarial Society in Detroit Oct. 9 with President J. T. Rohm, American Life, in the chair.

## INDUSTRIAL

### Home State Life in Tenth Anniversary

The Home State Life of Oklahoma City celebrated its tenth anniversary with a two-day agency convention at the head office. Some 175 agents, superintendents and assistants from Oklahoma and Texas were present. It has insurance in force of \$30,000,000. Many agents received substantial cash bonuses for outstanding records on all points during the year and on the basis of their net industrial and ordinary insurance increase.

Joe D. Morse, president, gave the welcome address. The agents were shown through the air-conditioned home office. There was a picnic at Belle Isle. On the last day there was a sales forum.

A banquet was held in the evening with A. G. Palmie, assistant secretary and manager of the industrial department, presiding. President Morse was a speaker, as was Mayor Hefner of Oklahoma City.

### Western & Southern Plans Chicago Meet

CINCINNATI — The Western & Southern Life will hold the second of three regional meetings in Chicago Oct. 13-14 at Hotel Sherman, with an anticipated attendance of 1,200 from 25 districts in the western territory comprising Illinois, Missouri, and part of Indiana. A regional meeting was previously held at South Bend and another will be held the week following the Chicago meeting at Indianapolis. There will be a special train from St. Louis.

C. F. Williams, president; W. C. Safford, vice-president; A. O. Payton, superintendent of agencies, and W. J. Williams, assistant superintendent of agencies, will be among those attending from the home office.

Wives have been invited to attend the social functions of the gatherings, the meetings closing with a banquet.

### National L. & A. Texas Changes

The National Life & Accident of Nashville has appointed M. L. Downey manager, Fort Worth, Tex., District 1, succeeding E. J. Wernette, transferred to San Antonio.

Mr. Downey has been manager at Oklahoma City for 14 months and prior to that was manager at Beaumont for 12 years. He is a past president of the Beaumont Association of Life Underwriters.

Superintendent J. J. Kraniak, Prudential's Milwaukee No. 3 district, has been appointed national president of the 85th division of the Veterans Association, which met during the recent American Legion convention in Chicago.

### War Risk Clauses in England Are Not Definite

The "Review" of London states that the war restrictions imposed by life companies in England are somewhat ambiguous. The war clause in use in that country reads:

"Notwithstanding anything herein to the contrary it is hereby declared that if the death of the life assured shall arise either directly or indirectly from any war (whether war be declared or not), the amount payable under this policy shall be limited to a sum being either (a) the total amount of premiums (exclusive of extra premiums) paid hereunder less any sums paid by the company in respect of bonuses in cash, portions of sum assured or surrender value or otherwise, or (b) the surrender value of the policy, whichever shall be the greater, but shall not exceed in any case the sum assured stated herein and attaching bonuses if any."

### Delayed Death From Wounds

The "Review" asks how long after the wounding, or perhaps the gassing, might death occur and yet be held to have arisen from war? Nobody presumably is prepared to express any opinion on that question at present, according to the "Review."

The exclusion might hold, according to the "Review" if death resulted from action of the British defense forces, the result of anti-aircraft shell splinters, for example, or the dropping of a bomb by one of the British aircrafts when engaged with an enemy plane.

There are consequences of war such as people being killed by motor vehicles in the streets where the accidents can be said to have been the result of blackout conditions. "Are these to be considered deaths arising directly or in-



## OUR CREDENTIALS FOR THE ECONOMIC HALL OF FAME

Thirty-odd years of steady, conservative growth.

A financial statement of stability and soundness.

A constantly expanding service to field man and policyholder.

A group of Life Underwriters who are second to none.

A company whose roots grow deep into the tradition of Life Underwriting.

Thirty-odd years marked with honor, dignity, amiability and unfailing courtesy in all dealings.

### OUR CREDENTIALS.

Such is the history of Peoples Life. If you are interested in the business of Life Underwriting, you will find it pays to be friendly with the

**PEOPLES LIFE INSURANCE CO.**

"The Friendly Company"

FRANKFORT

INDIANA





directly from war?" the publication asks. "The absence of street lighting is the result of war and the accident is caused by the absence of lighting." Authoritative opinion on such points is difficult to obtain at present, according to the "Review."

The wording of the clause is wide and possibly has been made so because of the impossibility of foreseeing conditions with which companies may have to cope. Its interpretation will be undertaken when circumstances arise demanding it. Officials hesitate to express any opinions with regard to the clause which might be held to indicate the views of their offices, according to the "Review."

It would be well for persons to assume that the clause will be interpreted widely and to protect themselves where possible by additional special policies as a temporary measure, the publication advises. Civilians may get a restricted policy extending for 12 months to cover all war risks in the United Kingdom (excluding aviation) for an extra premium of £1. For overseas risks, civilian and military, excluding aviation, the extra premium is £5.

Insurance against death, or death, loss of limbs or eyes, caused by aircraft, home, allied or enemy, can be obtained by anyone in any occupation excluding flying anywhere in the United Kingdom at a premium of £1, 1s. percent for death and £2, 2s. percent for the duration of the war but not exceeding 12 months.

The addition of an accident policy might be an advantage. Such policies normally exclude damage caused by war, civil commotion, etc., and conceivably might be held to exclude accidents due to darkened streets or houses, but while no authoritative announcement on that point can be secured it is being assumed that such claims would be met.

## ASSOCIATIONS

### Fox River Valley Group Hears Talk on Legislation

APPLETON, WIS.—Mark Catlin, Jr., Appleton assemblyman and chairman of the insurance and banking committee, discussed "Insurance Legislation" at the first fall meeting of the Fox River Valley association. He explained the significance of several bills passed and commended the Wisconsin state association for its legislative activities. He spoke specifically of the additional protection afforded widows and orphans by the new law providing \$10,000 inheritance tax exemption on life insurance paid to named beneficiaries.

Morrow Herner, Appleton agent, discussed recent national legislation affecting life underwriting. Frank Neu, Green Bay, chairman of the state educational committee, outlined plans for the study course to be conducted in conjunction with vocational schools.

Calgary, Alta.—A. E. Harris was elected president, A. W. Trickey, vice-president and W. R. Jones secretary-treasurer.

San Francisco.—A showing of "Yours Truly, Ed Graham," will be given. Oct. 9. Managers and general agents saw a preview for their group last week. Grant L. Hill, director of agencies Northwestern Mutual Life, will speak, Oct. 13.

Independence, Kan.—Program is announced for the Southeast Kansas Life Underwriters sales congress here Oct. 19. John S. Kerns, Northwestern Mutual, Pittsburg, will preside as chairman of the morning session. R. O. Penick, pastor of the Methodist church, will give an address to be followed by Helen Summy, Equitable Society, St. Joseph, retiring chairman women's quarter million dollar round table. The luncheon speaker will be Attorney Hal Crouch of Tulsa on "Spendomania."

At the afternoon session Commissioners Hobbs of Kansas, Lucas of Missouri, and Read of Oklahoma will be introduced, along with Leo Porter, Lincoln National, Wichita, president Kansas association,

and Jess W. Moore, Mutual Life, Springfield, president Missouri association. C. J. Zimmerman, Connecticut Mutual, Chicago, president National association, will give an address. The previous evening will be held a general agents and managers dinner.

Pensacola, Fla.—Churchill Mellen spoke on partnership insurance and outlined the development of life insurance.

Birmingham, Ala.—Bert Nelson, big personal producer of Northwestern Mutual Life, Milwaukee, will speak Oct. 19.

Indianapolis.—G. G. Terriberry, Mutual Benefit Life, New York City, repeated much of the address "A Sale—What's in It for Me?" which he gave at the St. Louis meeting of the National association. J. E. Owen, assistant manager Prudential No. 2, Indianapolis, presented the association a white oak gavel made from wood taken from the covered bridge at Columbus, Ind.

Northern New Jersey.—At a luncheon-meeting in Newark, Oct. 9, there will be a debate between Abe Berliner and G. W. Conover, Penn Mutual Life, and W. St. J. Chubb and Raymond Becker, Prudential, on "Resolved, that if I do not close my prospect on the first selling interview, I will tear up the prospect card."

### Sun Life of Md., Agents to Vote

WASHINGTON—A secret election to determine the collective bargaining agent to represent employees of Sun Life of Baltimore in this city was ordered by the National Labor Relations Board as a result of failure of negotiations between the company and the two unions which are contending for control. The election is to be held within 15 days to determine whether the agents desire to be represented by the Industrial & Ordinary Insurance Agents Council (AFL), the United Office & Professional Workers of America (CIO), or neither. On May 16, the company entered into a contract with the CIO union covering agents in its Philadelphia office which required that it would become effective as to other offices of the company wherever the CIO union represented a majority of the agents.

### Oregon Commissioner Predictions

PORTLAND, ORE.—Appointment of Lloyd R. Smith, president of the Campbell, Smith & Goodman agency of Portland, as state corporation commissioner brought predictions that an upstate man, probably from southern Oregon, would be named to succeed Hugh H. Earle as insurance commissioner. It is expected that Governor Sprague will delay filling the post until after he has appointed a new state superintendent of banks.

Earl Yumy of Medford has the backing of several insurance groups and the

reported opposition of others. Also backed for the post are two Portland men: D. R. Atkinson and Kenneth S. Reed. Mr. Atkinson, superintendent of the Phil Grossmayer Co. general agency, has been seriously ill in a Portland hospital for the past two weeks.

### Provident Mutual Men on Coast

W. D. Cross, assistant manager of agencies, and E. A. Farrington, agency assistant Provident Mutual Life, are visiting agencies in Washington, Oregon, northern and southern California. They

will be honor guests at a luncheon meeting for all members of the James H. Cowles agency in Los Angeles Oct. 24.

### Brackett Introduces Lynch

Karl L. Brackett, who recently resigned as general agent of the John Hancock Mutual Life in San Francisco, was host at a reception and dinner to introduce Lloyd J. Lynch, his successor in that position. Practically all general agents and managers and several other friends and associates of Mr. Brackett attended.

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**GREAT-WEST LIFE**  
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HEAD OFFICE . . . . . WINNIPEG, CANADA

*A*  
**Symbol of**  
**SECURITY**

**BUSINESS IN FORCE \$607,532,970**  
(December 31, 1938)



## Industrial Section Draws Sharp Views

(CONTINUED FROM PAGE 2)

he opined, offers the most convenient purchase plan available to the industrial workman.

Mr. Mohan said that there is evidence indisputable that life insurance is good, that it must be sold, that the agency system is indispensable to the distribution of this invaluable economic and social service. The companies ask the agency organization to be loyal, to be professional in the distribution of the service. In some quarters the companies are accused of adopting every conceivable known means to deny this organization whose loyalty they demand the benefits of the social security act. He has cause to believe, he said, that some agents do not like this attitude. Many companies have their own plans for retirement of the faithful agent or for his care when indisposed, plans that are superior to the social security act. But the psychological effect of substitution or denial of the benefits in some quarters, he declared, is not good and has a tendency to alienate the friendship of those who are an essential part of the business.

Chairman Mohan said that the Kentucky Central Life & Accident and the Knights Life of Pittsburgh have joined the Industrial Section. This makes 28 companies with a volume of \$1,966,096,120 ordinary, \$3,319,759,508 industrial.

### L. P. Rock's Address

The success of the Monumental Life's application inspection plan created much interest. President Leo P. Rock of the Monumental Life was unable to be present and his talk on "Home Office Relationships to the Agency Organization" was read by J. A. Niehaus, assistant agency manager of the Monumental Life.

Mr. Rock enumerated six requisites for proper relationship, they being vision or the ability to see immediately all problems confronting the agents; next, understanding or the ability to analyze and clearly see those problems from the agent's viewpoint, and, third, sympathy toward agents in dealing impartially and fairly with all problems. Fourth, patience. He said that a company should not expect a man to achieve success immediately. Development and learning constitute a slow process which requires various periods of time depending on the individual's ability to assimilate. Next, tolerance should always be exercised with the man who is earnestly striving if he is to be encouraged. Sixth, human treatment was stressed. He said that an intensely human attitude should be maintained in all dealings with those under the direction of company officials in order to promote confidence, loyalty and the friendliest of feeling between the company and its field force.

In the discussion following Mr. Rock's paper, Mr. Niehaus was queried regarding the Monumental's inspection system. He said that the inspectors are trained in the home office and are on a salary basis. They operate in one district and are not rotated but they make no contact with the agency department. He estimated the inspections cost 37 cents an application. One inspector can handle 170 to 220 cases a week, he said. Inspection service has also been extended to the ordinary which spreads the cost.

### Public Relations Always Factor

The Monumental has been very successful in training courses. To insure that managers conduct the courses properly there are three to five home office representatives, who are in training for managership, to check on the training activities in the various districts. The managers also report the beginning and end of the courses as a further checkup.

The problem of public relations has always been a factor in business, E. W. Craig, executive vice-president National Life & Accident, said in discussing

methods of improving public relations. He emphasized that business must have the right point of view and an operating philosophy regarding public relations before much can be done along that line. The reason critics exist is because business has not taken its story to the public, Mr. Craig said. Despite life insurance's outstanding achievements, it is being questioned and attacked today. Mr. Craig cited a survey which showed the average man would like to have more information about his life insurance. Mr. Craig criticized the activities of the "policyholders' service" bureaus. He said that the selection of agents to testify before the Temporary National Economic Committee in Washington was unfair and did not represent a true cross section.

### Urges Analysis from Within

The first step in public relations is to subject the business to an unemotional analysis from within, Mr. Craig said. A satisfied agency force is fundamental to good public relations. Life insurance is largely a business of service so the service angle cannot be underestimated. In every public contact a fragment of good will is created or lost. Claims must be handled with care. In most cases where ill will on claims prevails it is the result of unnecessary delay, failure to give full explanations or by dodging issues. Courtesy in contacts with the public calling at branch offices, through correspondence and telephone calls, was urged by Mr. Craig. He explained his company's regulations regarding contacts by employees.

It is important that men leaving an organization be handled in the right way so that there is no ill will toward the company. A smart industrial manager is one who maintains good relationship with all his employees. In improving public relations one of the prime essentials is to find out what the public wants and give them more of it, Mr. Craig declared.

Chairman-elect Kendall was unable to be present on account of illness.

## Cabaniss Named New Chairman

(CONTINUED FROM PAGE 2)

much testimony that would have reflected credit to the institution being ignored. Upward trend of taxation is another reason for joint efforts, Mr. Keeble said.

Dr. Max Cutler, consultant on tumors of Hines Veterans Hospital, Hines, Ill., addressed the section luncheon the first noon on x-ray and radium treatment of cancer. He showed slides which proved that treatment of exterior or skin cancer has made great strides with 80-90 percent cures. Interior cancer, however, which takes 100,000 lives annually, or two-thirds of the total due to cancer, has resisted treatment. Cures are running about 10 percent, he said.

### Testimony of a Physician

J. P. Saul, Jr., executive vice-president and general counsel Shenandoah Life of Roanoke, Va., spoke before the Legal Section on the expert testimony of doctors. He said that when a physician is called to the witness stand the first objection by the opposition to his testifying is the statutory rule that communications between patients and physicians are privileged, though first it is necessary to ascertain if the state has such a statute and next, whether the information received from the doctor comes within the term of the statute.

Mr. Saul said that only a few states have adopted any satisfactory legislation remedying the situation. The cases seem to be in hopeless confusion on the question of admissibility of testimony of a doctor founded on records kept in his hospital or in his office.

C. L. Peterson of Columbus, O., associate counsel of the Ohio State Life, had an exhaustive paper at the Legal Section on "The Liability of an Insurance Company for Mistakes in Its Poli-

cies and Correspondence." He added a very comprehensive appendix giving the decisions of federal courts and state courts bearing on the subject. In his paper he took it for granted that the errors had been made through no fault, fraud or act of the assured and that the assured had no knowledge of the mistake at the time it was made. Mr. Peterson said that the decided cases which he found have not revealed any legal or equitable doctrine that an error in an insurance contract should be corrected for the simple, self-evident reasons that, from a moral and ethical standpoint, a wrong should be righted and no one should be enriched at the expense of another, simply because the latter had made a mistake which had not in any way harmed the former.

### Presumption of Knowledge

The speaker said that in almost every case where reformation of a policy has been granted to correct an error, the allowance of reformation has been based on the conclusion of the court that the error was so patent and manifest on the face of the policy itself, or so clearly shown by a conflict between, or an ambiguity in, the policy provisions, that it must be presumed that the policyholder had knowledge thereof; and, in some cases, the reformation has been permitted on the principle that, since the policy erroneously contained values or benefits not generally and ordinarily placed in a policy, of the kind applied for and paid for, there had been a mutual mistake justifying reformation, because both the policyholder and the company intended that the policy should contain and that the assured should receive only those values and benefits which the company ordinarily granted.

### Project on Minor's Insurance

In the first afternoon session a proposal of a special committee urging action to secure a law permitting minors of 15 or over to buy insurance and annuities, and also minors under 15, with written consent of their guardians was approved. This project goes to the A.L.C. executive committee for action, with the hope it will be transmitted to the commissioners on uniform state laws.

A second recommendation, to legalize payment of proceeds to minors, who could execute valid release (with provision those under 18 must secure written consent of parents or guardian) was voted down in several differing forms. Finally the section voted not to submit any recommendation on the subject to the executive committee.

James F. Finlay, general counsel Interstate Life & Accident, was chairman of the special committee and presided at the round table. This committee did much work, made a survey of company practices and collected applicable laws in 15 states. The subject has been a live one in A.L.C. meetings for more than 10 years, but not until the committee was constituted at the 1938 annual meeting did it take the form of possible action to seek law uniformity.

### Kastner Reviews Legislation

The significance of a number of new and proposed U. S. measures was pointed out by Ralph H. Kastner, A. L. C. associate counsel, in his annual review of legislation and insurance department action. He noted the power given under the new U. S. war measure to take away private property in time of war, and also the war revenue act empowering the levying of heavy additional taxes, with a boost of corporation income tax rate on insurance companies to 25 percent. There is also great significance in the Lee bill calling for a census of national wealth in time of war. Mr. Kastner noted the trend in state legislatures of the last season towards premium taxes on a direct writing basis. He said premium tax increase proposals in several states failed.

Uniformity is lacking in legislation relating to policy dating. E. M. Thoré, assistant counsel Acacia Mutual Life, declared in a talk on "Dating of Life Insurance Policies." He said it might be well to encourage legislation permitting

## Fifteen Years

W. J. Olive of Holland, Mich., general agent of the Franklin Life, has rounded out 15 years of consecutive weekly production. He started with the company 15 years ago and has kept up his weekly achievement in spite of war, panic, depression and other handicaps that have been encountered during that time. He is one of the most conscientious workers in the life insurance vineyards.



W. J. Olive

antedating policies for a period of six months prior to the date of application, and when new suicide and incontestable statutes are being considered, perhaps language should be recommended which will measure the incontestable or suicide periods from the date the policy is actually issued.

There is no standardization in the matter of dating back policies, Mr. Thoré said, yet with the volume of case law available it should be possible to reach some definite conclusions from which standard dating provisions and practices might be developed.

He touched on state statutes and insurance department rulings governing back dating and the question whether this is discrimination against other policyholders. He also discussed the effect of antedating on the incontestable clauses and suicide policy, and on the due dates for premiums and extended insurance non-forfeiture option.

Tennessee, he said, prohibits dating back to give an age younger than age at last birthday. Some states prohibit dating back more than six months from date of original application, but others permit a leeway of at least one year.

## Putnam Honored by Two National Agents Bodies

H. H. Putnam of Boston, publicity director of John Hancock Mutual Life, attended the annual meeting of the National Association of Life Underwriters in St. Louis last week. So far as is known he is the only survivor of the group who some 50 years ago organized the National association at a meeting in Boston. At that time he was on the staff of the "Standard" of Boston and reported the meeting for his publication. This week at Boston, where the National Association of Insurance Agents held its annual meeting, Mr. Putnam sat at the speakers table at the banquet and was introduced by President W. H. Menn of Los Angeles as one of the war horses of the old days.

Mr. Putnam founded the "American Agency Bulletin," house organ of the National association. He was its first full time secretary and served in that capacity for a number of years. At the banquet of the Insurance Advertising Conference in Boston he also sat at the head table and was introduced as one of the ex-presidents.

### Michigan Aviation Change in Effect

LANSING, MICH. — Measures legalizing the so-called "aviation rider" in Michigan are now effective. Life agents can now write a considerable volume of business previously denied them because the statutes permitted no exclusions.

Further development of United States Life's business in Colombia brought General Agent A. B. Penry to New York for home office conferences. He expects to return to Bogota, his headquarters, about the middle of October. The United States Life entered that South American field about a year and a half ago.



## May Bring Sudden Heavy Cash Drains

(CONTINUED FROM PAGE 4)

to have the change made, and even in connection with those policies which do not require beneficiary changes to be endorsed on them the assured will have to make a change which is satisfactory to the bank, since otherwise the bank may refuse to renew the loan on maturity. Thus, for nearly all transactions in connection with the policy it will be necessary for the insured to obtain the bank's consent before he can take the action he desires.

Mr. Holland observed, however, that if the insured, weighing all these considerations against the saving in interest, decides to go ahead, it is his right and privilege and the insurance companies should cooperate with him.

### Unwieldy as Collateral

From the bank's point of view, Mr. Holland pointed out that the insurance policy has acquired many special provisions designed to give the insured maximum protection and while these work out simply and logically for him the provisions sometimes become complicated when looked at from the standpoint of a collateral assignee.

"Policies have become so varied in their forms and detailed provisions that it is impossible to deal with them on a mass basis," he said. "Even the standard form of assignments which has been prepared by the American Bankers Association and the Life Insurance Counsel Association requires judicious use. The provisions of individual policies must be carefully reviewed."

Mr. Holland pointed out that it is necessary for the banks to set up some premium checking system, since under some policies, on lapse the value in the policy goes under a nonforfeiture provision which has neither loan nor cash

values, provisions which give full value but which may not be satisfactory as collateral security.

Mentioning Mr. Tait's observation that bank policy loans result in lapse far less frequently than regular policy loans, Mr. Holland said that there are two sides to this idea.

"The disturbing situation now is that since banks have become aware of the security which they can obtain through life insurance policies the rates of interest have become so low that there will undoubtedly be a tendency on the part of many insured to borrow heavily on their life insurance policies to secure sums for ordinary commercial purposes," he said. "Life insurance companies have spent many years in endeavoring to create in the public mind the idea that personal life insurance should be maintained."

"Such loans may just as thoroughly jeopardize the continued existence of the policy as does a policy loan made by the insurance company. Should interest rates rise, presumably renewals of these loans will carry correspondingly increased rates, and if the rise is far enough or if the bank desires to use its funds in other channels, the final result will be that the insurance companies will be forced to pay bank loans by granting loans under the policy provisions."

### Danger of Mass Demands

"The practice of making loans in large volume by banks on life insurance as collateral opens the door to another problem which insurance companies must watch carefully. Most policies containing loan provisions have no limit on the amount that may be borrowed up to the cash value. Furthermore, such loans may be secured on demand or within a reasonably short time after demand. This is not a serious problem as long as the policies are in the hands of individual insured. Experience has shown that while they may make heavy demands for loans during depressions, these loans usually are gradually made and do not result from concerted action."

"However, where these loans are placed in the hands of banks, we may find ourselves faced in the future with a heavy sudden demand because banks are more likely to change their investments with changing economic conditions and because they are much more inclined to work with concerted action. By far the largest item in the assets of the various companies is the reserve to meet life insurance obligations. A great percentage of this reserve is subject to the loan provisions. Should there be a general tendency to encumber this reserve for commercial transactions, the situation facing the insurance companies may be much more serious than is created by the ordinary policy loans made in isolated cases to assist the insured in meeting emergencies."

### Broader and Deeper Problem

"Therefore from a business standpoint the insurance companies are faced with a much broader and deeper problem than the mere question of the technicalities of the loan agreement that must be made by the bank. This new development is one that is going to have to be watched and studied very carefully and it is to be hoped that we will have the complete cooperation of the bankers throughout the country in an endeavor to prevent the misuse of policies as collateral and thereby jeopardize the fundamental insurance protection."

Mr. Tait, in the paper discussed by Mr. Holland treated the problem from the banker's angle. He said that some policies contain clauses which provide that if a policy is assigned the company shall have the right to pay the assignee in one sum and apply the balance under such optional method of settlement as may have been elected. He said that

he wished that all policies were so drawn.

Mr. Tait said a most important point and one frequently given insufficient consideration by banks is the fact that the legal relationship between the insured and the assignee is simply that of pledgor and pledgee, the pledge of a policy for collateral not transferring title or ownership to the assignee, regardless of the form of assignment. He said that despite the use of the so-called "absolute assignment" forms courts have repeatedly held that the assignee merely holds a lien against the policy so that in actuality there is no such thing as an absolute assignment for collateral purposes and that the assignment, though absolute in form is collateral in fact.

The speaker said that if a bank holding such an assignment surrenders or otherwise disposes of the policy without observing the legal requirements of foreclosure (unless these requirements are expressly waived in the assignment) it may be held guilty of illegal conversion of the property to its own use and liable to the insured. Also, not only would the bank be liable, but many insurance companies fear that if they have anything that may be interpreted as constructive notice that an assignment is actually for collateral purposes, they may, by allowing the assignee to surrender without proper foreclosure of title, be equally liable with the bank for facilitating the conversion of the pledged property.

### Up to the Banks

In connection with the uniform assignment form developed by the banks and the Life Counsel Association, Mr. Tait said that in his opinion it is up to the banks to "carry the ball" from here. He said that the companies have already gone farther toward adoption of a standard form of assignment for banks than most people who have followed the subject ever thought they would and that what will consolidate this gain is for the banks throughout the country to adopt and use the proposed standard form.

C. E. Mather of the accounting firm of Stagg, Mather & Hough outlined a plan for a condensed income statement which would be more informative to the layman. It should, he said, be on a true income or accrual basis; it should not include as income sums whose receipt only creates an equal liability, nor should it include as expenditure the discharge of such liability; it need not wait for any change in prescribed forms or regulations but can be produced from figures now required for filing with state insurance departments.

### Companies Should Take Lead

The present is a peculiar opportune time for the adoption of such a statement, he said, and asked why the companies, having followed the commissioners for so many years, should not now take the lead.

The present income page, he said, includes items which are not in any ordinary sense income, such as borrowed money, dividends left with the company; it omits other items which are income, such as accrued interest, premiums due. On the other hand, if the term "receipts" were substituted it would not be satisfactory, for many receipts are omitted, such as sale of assets, while other items not in any sense receipts, such as increase in book value, are included.

The disbursements statement likewise has the same shortcomings, such as inclusion of decreases in book value, purchase of assets, and substitution of the term "expenditures" would not meet the situation.

### Film Records Save Space

E. G. Fassel, assistant actuary Northwestern Mutual, spoke favorably on the use of saving space by destroying records for which there is no probable further need after miniature copies have been recorded on motion picture film. He said that the cost of filming will be less than the value of the filing cabinets

## ACTUARIES

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**COATES & HERFURTH**  
CONSULTING ACTUARIES  
562 Market Street 437 S. Hill Street  
SAN FRANCISCO LOS ANGELES

### DISTRICT OF COLUMBIA

Specialty, Income Taxes of Insurance Companies  
**WILLIAM W. CHAMBREAU**  
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### ILLINOIS

**WALTER C. GREEN**  
Consulting Actuary  
Franklin 2633  
211 W. Wacker Drive, Chicago

**DONALD F. CAMPBELL**  
and  
**DONALD F. CAMPBELL, JR.**  
Consulting Actuaries  
199 N. La Salle St. Chicago, Illinois  
Telephone State 1336

**HARRY S. TRESSEL**  
Certified Public Accountant and Actuary  
10 S. La Salle St., Chicago  
Associates  
M. Wolfman, A. A. I. A. Franklin 6909  
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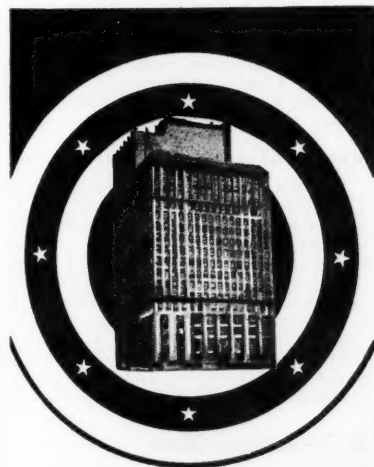
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### NEW YORK

Established in 1905 by David Parks Fackler  
**FACKLER & COMPANY**  
Consulting Actuaries  
Edward B. Fackler Robert D. Holman  
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### PENNSYLVANIA

**FRANK M. SPEAKMAN**  
CONSULTING ACTUARY  
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THE BOURSE PHILADELPHIA



**General Agency  
OPPORTUNITIES  
for good personal  
producers**

**Central Life**  
INSURANCE COMPANY  
of Illinois

ALFRED MacARTHUR, PRESIDENT  
211 WEST WACKER DRIVE, CHICAGO

released and the annual rental value of the space vacated, so that efficient filming will pay for itself almost immediately.

C. H. Page, assistant secretary Central Life of Des Moines, describing the organization and operation of a central transcribing department said that there is not only a money saving of great importance but also possibilities of gain in accuracy and speed because of greater flexibility, expert supervision, better training and recruiting, standardization of salaries and other factors.

#### Small Companies Pioneer

In his paper on organization and routine changes in the development of a life company, R. W. Beeson, secretary Liberty National, after outlining ways in which small companies can learn from large ones, said that the small companies can also sometimes profitably guide the larger ones. He said that one of the most outstanding examples of this type is the development of the use of tabulating equipment for printing industrial life policies and registers developed by smaller companies. This process has spread to the larger ones, he said. He

also mentioned the need, as a company grows, of maintaining coordinated control, as there is a normal tendency for various departments to become sufficient in themselves and to resent the type of supervision making for coordination and resultant economy.

#### Two Important Manuals

Two important manuals were presented, the result of long effort on the part of these specialists in home office management. One of these gives the basis for a uniform cost accounting system for life companies which will be supplemented by later studies, but which offers the business the first uniform base upon which a cost accounting system may be based. It was the work of a standing committee headed by M. H. LeVita, statistician of the Fidelity Mutual Life.

This manual was designed as a guide for the home office executive assigned the duty of directing and studying functional costs. It is pointed out that the data gathered by a cost system may result in the following 10 benefits to management:

#### Ten Benefits Given

1. Presenting cost figures, as a basis of measuring efficiency, preparing budgets, setting cost standards and measuring variances between standard and actual.
2. Revealing cost variances in departments and operating units for measurement of production efficiency.
3. Indicating where cost reductions can be effected.
4. Indicating inefficiencies or unfavorable conditions giving rise to waste, which can be corrected by installation of better methods or procedures.
5. Supplying data which is useful in determining company policy, and public relations.
6. Aiding in making decisions as to whether or not new procedures should be adopted.
7. Furnishing data as an aid in determining whether contemplated projects should be approved and, after approval, whether they are effective.
8. Providing data to assist in determining the advisability of opening additional agency offices.
9. Aiding in determining profitable and unprofitable plans of insurance and activities related thereto.
10. Aiding in establishing premium rates.

#### Shepherd Discusses Statements

In discussing "Financial Statements as an Aid to Management," C. O. Shepherd, Travelers, contended "that we need not be limited by the convention form of statement, but rather should make full use of our ingenuity to devise forms which will be most helpful to officers and directors. It is a mistake to think that we can not keep our books and accounts in such a way that more than one form of statement can be made from them."

Mr. Shepherd advocated a simplification of the asset page by eliminating the classifications "ledger," "non-ledger," and "not-admitted" assets. He urged the companies to get away from statements

of income and disbursements and to substitute statements of earned income and incurred expense such as are well known in other lines of business.

The new form of gain and loss exhibit, effective for 1939, which accounts for surplus changes by using "Increase in Reserves," points the way to the form of statement which should be used, according to Mr. Shepherd. Most of the aversion to the use of such an item as "Increase in Reserves" is due to confusion of thought. Calculation of the proper amount of reserve for a life insurance company is a highly technical process, but the reserve itself is not different in nature from other reserves, such as are found in the statements of industrial and commercial concerns.

"Financial statements should be set up in comparative form, for no one ever reads a financial statement without comparing it with the statement of a previous period. The aim should be to develop common viewpoints among the companies' officers, to get them thinking in terms of the same significant relationships and talking the same language."

Mr. Shepherd stressed the point "that a financial statement is a message, and the content is as important as the form. Financial statements are not merely collections of facts but involve important human judgments. Good statement-making calls for establishment of sound principles to steady such judgments. A tradition of objective statement-making which reveals unfavorable trends and developments as clearly and faithfully as favorable trends is one of the best defenses against business ills. Only in such a role as this can the financial statement play its full part in company management."

New directors that were elected are Hill Montague, Jr., secretary Life of Virginia; T. F. Meagher, assistant secretary New England Mutual; H. L. Rhoades, Metropolitan Life, assistant to the personnel officer; J. L. Batchler, controller Kansas City Life. Des Moines was chosen as next year's annual meeting place.

## NEW YORK

#### ANNOUNCE PARKCHESTER RENTALS

Metropolitan Life announces the rentals for apartments in its novel Parkchester, the planned community that is under construction in the East Bronx, N. Y. Rents in the first building, including gas and electricity, will run from \$63 to \$69 for five rooms, \$52-\$60, four rooms; \$39-\$50, three rooms, and \$32-\$34, two rooms. Metropolitan Life estimates that about 3,000 apartments or 25 percent of the total number will be ready March 1. At the rental standard that has been fixed, Parkchester will pay all taxes. The tenants will be drawn largely from those earning \$1,800 to \$4,500 income.

#### MYRICK AGENCY PRODUCTION

Paid business of the Julian S. Myrick agency of the Mutual Life in New York City for September was \$633,635 as compared with \$1,247,045 for September 1938. For the year to date the total is \$9,781,359 as against \$13,918,509.

The agency will run a training course designed for new agents beginning Oct. 9 and ending Oct. 25. There will be eight lectures of one hour each, beginning at 4:45 p. m.

#### KNIGHT AGENCY FIGURES

The Charles B. Knight agency of the Union Central Life in New York City paid for \$1,761,624 in September as against \$956,468 for September, 1938. For the first nine months the total was \$16,038,734 as against \$12,248,586.

#### C. L. U. COURSE OPENS

Review courses at New York University in preparation for the C. L. U. examinations began this week at the School of Commerce building, where all

## CHICAGO

#### LIPTON MADE ASSISTANT

John R. Hastie, manager for the Mutual Life of New York at One LaSalle street, Chicago, announces the appointment of E. C. Lipton as supervising assistant to succeed C. M. Letton, who has been advanced to agency organizer.

#### KIEFFER'S ALL-IN-ONE PLAN

P. J. Kieffer, general agent of the Ohio State Life in Chicago, has combined the facilities of the company's various departments to construct an all-in-one contract combining life, premium waiver, double indemnity, accident, health and hospital insurance in one company, one policy folder and one premium notice. He states the plan will meet the needs of the small insurance buyer who feels the need of complete coverage at reduced rates. It is written on both the participating and non-participating basis. The plan originated in and is being tried out by the P. J. Kieffer Agency before placing it generally in the field. The results are encouraging, says Mr. Kieffer.

#### CHICAGO PARTY FOR JESS READ

The Chicago law firm of Ekern & Meyers is giving a cocktail party Friday evening of this week in honor of Jess G. Read, insurance commissioner of Oklahoma. Mr. Read was in Chicago this week for the meeting of the commissioners on the life insurance war risk exclusion situation and he is remaining over to attend the Northwestern University Oklahoma University football game in Evanston, Ill. Saturday.

#### CHICAGO CLAIM MEN TO MEET

Dr. J. E. Hunsinger, assistant medical director Continental Assurance, will address the Chicago Claim Association on "Coronary Thrombosis" at its first meeting of the season Oct. 11 at 6:30 p. m. in the restaurant on the 22nd floor of the Medical & Dental Arts building, Wabash and Lake.

A new president will be elected to succeed Charles Kingston, Connecticut General, who resigned following his entrance into personal production.

#### METROPOLITAN MANAGERS' LUNCH

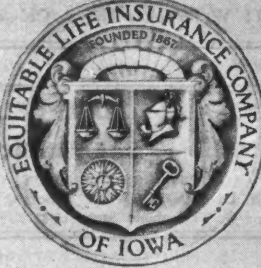
Chicago managers of the Metropolitan Life held a luncheon for home office men who attended the American Life Convention meeting in Chicago. Among the guests were Leroy A. Lincoln, president; C. G. Taylor, Jr., second vice-president; H. R. Bassford, actuary; H. C. Bates, general counsel; Cecil J. North, third vice-president; A. T. Schussler, superintendent of agencies Great Lakes territory, and S. D. Risley, assistant superintendent.

#### R. B. Proctor New Research Bureau Consultant

R. B. Proctor has joined the Research Bureau as a consultant in the service division. Since 1936 he has been with Penn Mutual in the Osborne Bethea agency at New York. He has had charge of recruiting and training. He is co-author with Mr. Bethea of the booklet "Your Dollar."

After graduating from Rollins College, Florida, in 1930, he went with Penn Mutual at Charlotte, N. C., serving as agent, later as supervisor. He is a C.L.U. and has taught C.L.U. study classes.

lectures will be held. The faculty includes J. E. Bragg, general agent New York City, Guardian Life of New York and D. B. Maduro, tax and estate expert, and the following New York University professors: W. E. Spahr, L. B. Sprigg, A. A. Friedrich, S. B. Ackerman, L. E. Dewey and M. B. Foster. The lectures will be on Fridays, except for some which take place Wednesdays. The final lecture will be June 7.



**THE EMBLEM** of a strong, enduring life insurance company which for 72 years has adhered to principles of justice and friendliness. Well directed and soundly managed, the protection the Equitable of Iowa provides to policyholders and their families is

*Outstanding by Any Standard of Comparison*

**EQUITABLE LIFE of IOWA**  
HOME OFFICE - DES MOINES

## Forging Ahead with Security

Every Security Mutual Life agency is a hub in the wheels that are moving onward. New policies, new sales plans, new features of life insurance service—make for progress of both the Company and its agencies, and of every spoke in every wheel.

### Security Mutual Life Ins. Co.

Frederick D. Russell, Pres.

BINGHAMTON, N. Y.



## FRATERNALS

### Many Fraternalists Attend A. L. C. Annual Meeting

Evidence of development of a closer bond of interest and cooperation between legal reserve fraternalists and old line life companies was the presence of a number of leading fraternalists as guests at the annual meeting of the American Life Convention in Chicago this week. Among those attending were A. O. Benz, president Aid Association for Lutherans, Appleton, Wis.; O. E. Aleshire, president; J. C. Phillips, assistant to the president; E. J. Bullard, Detroit, director; F. J. Gadiant, actuary, and G. G. Perrin, general counsel, all of Modern Woodmen, Rock Island, Ill., and Foster F. Farrell, executive secretary-manager National Fraternal Congress, Chicago. Mr. Farrell Thursday extended greetings from the fraternalists in the general session.

### Sculpholm Succeeds Baker

Earl W. Sculpholm of Detroit has been appointed manager of the Macca-bees home office, succeeding J. B. Baker, who was recently named Michigan state manager. Carl Wuerthner of Manchester succeeds Mr. Baker on the executive committee.

### Veteran C. O. O. F. Organizer Dies

Adolf Fischer, 86, who for more than 30 years was Illinois state organizer of the Catholic Order of Foresters, died at his home in Elgin, Ill.

### Hearing on Wisconsin Merger

A hearing will be held in Madison, Wis., Oct. 17, on a proposed consolidation of the Catholic Family Protective and the American Catholic Union of Wisconsin.

### "Ad" Men Reelected R. C. Dreher

(CONTINUED FROM PAGE 5)

E. M. Hunt, Mutual Life of New York, said he furnished agents with post cards reproducing company advertising messages for pre-mailing to prospects. A tie-up booklet is left with the prospect at the time of the agents call. Each advertisement invites contact with the agent. The advertisements are planned to get selective prospecting done by the agent, one month for mortgage satisfac-

tion, one for college education, one for young married couples, etc.

Arthur Fisk, Prudential, said a survey indicates that the Prudential radio program now has 100,000 listeners. The object is to get into the homes of the people through the women. Agents approve the program. They are sent a complete copy within two days after it is heard on the air. Mr. Fisk predicts the necessity of much more attention to radio and television by the insurance companies. He believes the Prudential program is on to stay.

The Travelers radio station WTIC is now used more for other advertising than for Travelers itself, reported C. W. Van Beynum, publicity manager. The company radio advertising is nearly all name and safety advertising for brief periods paid for by the company to the credit of the station. Mr. Van Beynum said there was no definite evidence to show the extent of value received by the Travelers.

H. A. Richmond, Metropolitan Life, said that company's present radio advertising was on for the specific purpose of combatting the broadcasting of so-called insurance counsellors and will probably be discontinued when that purpose had been satisfied.

### C. A. Craig Is Elected As New President

(CONTINUED FROM PAGE 1)

ing a number of company officials who might not have otherwise attended.

The first general session was held Wednesday afternoon, but by that time the convention was well advanced, the Legal, Industrial, Financial and Agency Sections each having held its annual meeting earlier in the week.

The convention went into executive session Wednesday evening and elected new officers.

President Grant presided and gave his message Wednesday afternoon.

C. B. Robbins, manager and general counsel, in his report, referred to the problems that are uppermost in the minds of executives, in outspoken style. He believes that insurance must assert itself plainly and forthrightly these days when the group at Washington is seeking to fashion something new in life insurance.

### Life Agent and Public Relations

J. G. Parker, general manager and actuary of the Imperial Life of Toronto, spoke Wednesday afternoon giving some observations on the influence of the life agent on public relations. He emphasized the importance of the field man in such work. The agency forces, he said, daily are contacting people and delivering to them a message concerning life insurance, thus doing more to create public opinion than any other system of publicity can possibly do. The companies themselves, he said, should organize to see that these men are carefully selected and then trained in the capacity

which they must occupy whether they know it or not as public relations men. He said that in the selection of field representatives as well as in their training those who have the greatest control are the branch managers and general agents. The sales organization in the head office must be impressed with the importance of training agency managers in every part of the United States and Canada to select men who satisfy all the basic requirements for the creation of good will and must eliminate from their prospective applicants for contracts those who would have a bad effect on public relations. It is of great importance, he continued, that they should realize that one man of poor caliber brought into the business can do more to 'destroy good will than can be created by the hard and intelligent work of dozens of men of the proper caliber.

The afternoon session closed with a showing of the film "Yours Truly, Ed Graham" that is getting an enthusiastic reception.

At the Thursday morning general session greetings were extended from other insurance organizations. John A. Stevenson, president Penn Mutual, gave an address in which he advocated that the business seek to create in the public a truer understanding of insurance, asserting that an informed public will arrive at correct conclusions.

Gov. Stassen of Minnesota gave a stirring address. Last week he was one of the speakers at the convention of the National Association of Life Underwriters at St. Louis.

Thursday afternoon the speakers were Clyde W. Young, president Monarch Life; J. F. Ruehlmann, vice-president Western & Southern Life, and W. J. Cameron of the Ford Motor Company.

Thursday evening was held the brilliant convention banquet with the cementing of friendships.

The convention closes Friday morning with addresses by A. N. Kemp, president Pacific Mutual, and Merle Thorpe, editor "Nation's Business."

## WOODMEN OF THE WORLD LIFE INSURANCE SOCIETY

Founded nearly half a century ago, its assets have mounted to over \$128,000,000.

Its investments are largely in Government, State and Municipal Bonds.

It has paid to beneficiaries over \$258,000,000, and to living members over \$47,000,000.

For each \$100 of reserve and current liability it has assets on hand of the value of \$123.14.

Through prosperity and depression, war and epidemic, its financial strength has paralleled its record of insurance and fraternal service.

It maintains at San Antonio, Texas, an endowed free hospital for members who suffer with tuberculosis. This institution is on the accredited list of the American College of Surgeons.

De E. Bradshaw, Pres. Omaha, Nebr.

## MORE THAN A MILLION DOLLARS A MONTH

DURING the first six months of 1939 MODERN WOODMEN OF AMERICA distributed \$6,848,493.07 in cash to the beneficiaries of deceased members and to living members. This impressive sum, averaging more than \$1,000,000.00 per month, was paid promptly as each claim matured, thus maintaining the Society's 56-year record of genuine human service.

**\$605,825,109.48 paid in benefits since organization**

## A THREE-MILLION-DOLLAR GAIN IN ASSETS

The continued gains shown on its financial front are demonstrated by an increase of \$3,256,054 in assets for the same six months' period. Strict adherence to a wise and conservative investment policy is an added assurance of financial stability.

**Assets total \$81,910,944.16—a 100 per cent increase in the past six years**

MODERN WOODMEN OF AMERICA  
Head Office Rock Island, Illinois

### THE WOMAN'S BENEFIT ASSOCIATION

Founded 1891

A Legal Reserve Fraternal Benefit Society

Bina West Miller  
Supreme President

Francis D. Partridge  
Supreme Secretary

Port Huron, Michigan

## PROGRESSIVE



Throughout the thirty-six years of its existence, the Aid Association for Lutherans has earned a reputation for able, progressive management, and sympathetic understanding of the needs and problems of its certificate-holders. The Association has ever been alert to the modern trend of the times, always adjusting itself to meet new needs of protection.

INSURANCE IN FORCE.....\$195,294,926.00  
ASSETS .....\$ 30,620,960.53

Paid to members and beneficiaries since organization in death and sick benefits, old-age income, surplus, etc., \$20,890,281.70.

All standard forms of legal reserve life insurance for men, women, and children of Synodical Conference Lutheran churches.

## Aid Association for LUTHERANS

Appleton, Wisconsin

Alex. O. Benz, Pres.  
Otto C. Rentner, Vice-Pres.

Albert Voecks, Secy.  
Wm. H. Zuehlke, Treas.



## Robbins Takes Dire View

(CONTINUED FROM PAGE 6)

Savings bank life insurance proposals were considered by seven legislatures, but all failed.

During the year these companies were admitted to membership: Penn Mutual, Colorado Life, Kentucky Central Life & Accident, Security Mutual Life of New York, Lutheran Mutual Life and Knights Life. The total business in force of member companies as of Dec. 31, 1938, was \$40,846,034,966.

During the past year assets of all legal reserve companies in the United States increased to \$28,400,000,000 at the rate of 5.5 percent over the preceding year. Real estate held decreased by 2.9 percent; government bonds increased 10.6; municipals increased by 11 percent; farm mortgages decreased 1.2 percent and other loans increased 4.6 percent. The life companies have been the best customers of the FHA in the purchase of its loans.

New life insurance written during 1939 for the first nine months increased 3.3 percent. Ordinary gained 11.7 percent, industrial decreased 30.9 percent and group increased 82.5 percent. Colonel Robbins estimated that life insurance in force now exceeds \$111,000,000,000.

Policy loans decreased 3.1 percent. The decrease is due in part to the systematic procedure of banks and other institutions of inducing people with encumbered policies to borrow the amount of the loan at a bank and pay off the policy loans. "While this procedure is perfectly legal and one with which the companies cannot interfere, it is bound to be detrimental to the interests of the policyholder in the end," Colonel Robbins asserted.

## Agency Leaders Militant in St. Louis Meeting

(CONTINUED FROM PAGE 3)

agency institution, but there is nothing to prevent the agency organization from carrying the battle to the enemy. They favor mobilization and forthright speaking.

Most observers were not satisfied with the plan of scheduling the election meeting of the national council on Thursday afternoon of convention week. Until two or three years ago, the elections were held at the meeting of the national council on Monday. Then the system was inaugurated of having the national council hold a special meeting, for electing officers and selecting the place of the next annual convention, on Wednesday afternoon.

### Reason for the Change

Last year the election session Wednesday afternoon was prolonged and ran into the early evening, thus interfering with dinners and other engagements of the members. That was the reason for postponing the election session this year until Thursday afternoon. Even at that it interfered with the arrangements, and the sailing time of the Mississippi river steamboat upon which most of the convention party was entertained, was postponed for about an hour to suit the convenience of those who were attending the national council meeting. The principal criticism, however, was that by delaying the balloting, the electioneering was prolonged and the attention of the convention was focused on the political contest rather than upon the main feature of the convention itself.

The fellowship luncheon Friday was so greatly delayed in starting and was itself so long drawn out that people who had reservations on late afternoon trains had to hurry in order to make them. R. E. L. Hill, administrative officer and director of alumni activities, University of Missouri, scheduled as

the principal speaker, didn't get a chance to start his talk until nearly 8 o'clock.

The delay was caused in part by the fact that the regular convention session did not adjourn until 1 o'clock, the hour originally set for the luncheon. It was to be held in the room just vacated, which had to be cleared and set up for the luncheon.

There were two sets of head tables. At the "first head table" were seated the National association officers and trustees, the ex-presidents who were still on hand, and the members of the headquarters staff, who were presented for the first time with their new titles. On a dais immediately in front of the presiding officer was a table for the seven men who have been associated with the life insurance business for 50 years or more, and on either side of them were additional "head tables" at which were seated all the St. Louis committee chairmen. After all of these had been introduced, one of the speakers very appropriately addressed his remarks to "the few of you who haven't been introduced."

### Deans Club Gave Gavel

In view of the fact that special honor was to be paid to the 50-year veterans, G. E. Lackey, Massachusetts Mutual, Detroit, who presided, used a gavel presented by the Deans Club, famous organization of old-timers in Salt Lake City, one of whose members, Frank Mozeley of Beneficial Life, was among the honorees.

First of the veterans to be presented was H. H. Putnam, now in charge of publicity for John Hancock Mutual Life, who attended the first National association meeting 50 years ago as a newspaper man. The longest record of service was that of W. C. Burke, John Hancock, Hoboken, N. J., who has been with that company 51½ years and had 4½ years previous with another company, or 56 years in all. Other 50-year men were S. P. Ellis, Provident Mutual, Cincinnati; Meyer Harrison, Penn Mutual, Denver; Mr. Mozeley, Guy Withers, Equitable Society, Washington, D. C., and R. L. Jones, State Mutual, New York, perennial National association treasurer. Mr. Lackey referred to him as a dollar-a-year man and said he understood that Mr. Jones' salary was five years in arrears. He, therefore, very gravely handed him a \$5 bill. P. F. Huff, Los Angeles, and F. A. G. Merrill, Buffalo, other old-timers, had expected to be present but were unable to be there.

Holgar J. Johnson, retiring National association president, was given a tremendous ovation when he made his last appearance as the head of the organization. He spoke very briefly.

### Greetings to Zimmerman

His successor, Charles J. Zimmerman, also was given a rousing greeting. He said he did not intend to set forth any policies for the National association, but did make some comment on the current inquiry into life insurance administration. He said the conducting of such an inquiry implies that there is a need for it, but that there is no justification for such an idea in this case and that life insurance policyholders probably are least in need of government solicitude of any class that might be selected. He urged, however, that the matter be regarded with an open mind; if there are evils, the business can correct them within itself.

Mr. Zimmerman is the first bachelor president of the National association, which fact was made the occasion for considerable jocular comment, both at the last regular convention session and at the fellowship luncheon.

In the opinion of some convention attendants, the program setup, after all, is of less importance than the contacts made at the meeting. A Texas general agent, who nearly always takes one or more of his agents to the National association meetings, says that at those meetings and also at his company conventions, he and his men do not eat

together or sit together at the convention sessions and, in fact, see very little of each other throughout the meetings. He tells them the important thing for them is to meet new people, get their ideas and viewpoints and their ways of doing things.

### Casket Ceremony

The concluding event of the regular convention sessions was the placing in a gold casket of sealed gold envelopes containing the predictions of the leaders in the business today in regard to life insurance and the life underwriter in 1989, which are not to be opened until the 100th annual meeting in that year.

Seated on the platform were C. J. Zimmerman, new president; H. J. Johnson, retiring president; Miss Helen Summy, chairman Women's Quarter Million Dollar Round Table; Paul C. Sanborn, chairman Million Dollar Round Table; George E. Lackey, proponent of the "career underwriter" idea. They all placed their predictions in the casket personally, only those of Mr. Zimmerman and Mr. Johnson being read. Included also were predictions by Dr. S. S. Huebner and other leaders who were unable to be present.

At the final session a sound money resolution was adopted.

## Financial Section Applauds Plan for Seminar

(CONTINUED FROM PAGE 3)

within an area where good management could be provided at a reasonable cost.

As a result, Mr. Lounsbury wrote to the insurance commissioners calling attention to the problem and setting up two basic conditions, first, that the making of such exchange be made legal, and second, that such restrictions and regulations be set up as to insure that the exchanges were made on a fair basis to both properties. Out of 49 commissioners he received replies from 43. Of these 21 expressed themselves definitely as seeing merit in the proposal. Five thought that they saw some merit in it but were not quite sure they approved it. Five were definitely opposed and two other indicated they were not quite ready to make up their minds. The remaining 10 were non-committal with respect to their opinions.

George H. Rigler, assistant vice-president Harris Trust & Savings Bank, Chicago, discussed possible trends in interest rates and at the Financial Section luncheon Dr. Melchior Palyi, Chicago economist, gave his impressions of the European situation, predicting that the war may be a long one and that it is bound to have definite economic influence upon the United States.

The advisability of common stock investments for life companies was stressed by Dwight C. Rose, president Investment Counsel Association of America. He said that consideration should not only be given to possibilities of deflation in values but also to inflation.

O. P. Scheller, assistant secretary of the Connecticut General Life, in speaking before the Financial Section, said there is no formula or routine which will determine what constitutes a good mortgage loan. There is no short cut to successful mortgage lending. The Connecticut General, he said, endeavored to work out a measuring stick for income property loans. He said that the company realized that these basic units of measurement could do three things without great effort. First, it would enable the company to compare the physical data and operating cost figures of a property with other properties with which it was familiar and on which it had reliable operating experience. Second, it would enable the company to measure the margin of safety on a proposed loan at the current rent level. Third, it assisted in pointing out discrepancies or weaknesses within the property itself for the loan plan.

The Connecticut General tabulated these basic unit figures and gradually developed certain forms. They are used

in its daily analysis work. He said that the measurements apply only to mathematical factors such as cubeage, frontage, gross income, expenses, taxes, etc. The mathematical routine which he offered, he said, gives no protection whatever against the failure of an individual to correctly report the true conditions surrounding a property or against an error of judgment concerning these conditions.

### Illustrations Are Given

He spoke about the apartment house form which is easier to apply because of greater uniformity in such properties. He traced the history of three apartment loans which the company made during the '20s. Also he gave some cases covering current loan submissions. He said that the forms that he discussed may be adapted to a variety of properties by the simple elimination of a few items and the addition of some other units of measurement which are appropriate to the property being studied. The procedure which he outlined, he said, is no short cut by which one can detect and avoid hazardous loans. The measuring sticks which he suggested merely augment all the careful preparatory work, necessary in each application and they are designed largely for the executive and investment committee.

Dr. W. J. Hale of the Bell Chemical Company at Midland, Mich., spoke before the Financial Section and said that at the doors of government are encamped what are called pseudo or false economists. But it is not alone in chicanery of false economists that is found the cause for national disturbance, he said. Greed and selfishness of humanity at large contribute their full share to the upheaval. Industrially speaking he said the capitalistic system has played fast and furious with anything it could reach. Today, therefore, the country is witnessing the upward surge of the common man against the grasping hold of all that would throttle him. He predicted that a proletarian government is not far in the offing.

He said the call of chemurgy wherein new sources of raw material to industry are developed makes doubly certain a greater and greater cultivation of land.

## Plan for 1940 Convention

The W. M. Hammond agency of the Aetna Life in Los Angeles at its annual agency dinner, at which the associates in the agency and their wives to the number of 60 were guests of Mr. Hammond, made tentative plans for the 1940 regional convention in Del Monte, Cal., in July, 1940, and started the agency force on the campaign to qualify every member for the 1940 gathering. The agency's paid-for business in September was 40 percent above the same month of 1938.

## NEWS BRIEFS

A. J. Douglass, formerly Jefferson Standard Life manager at Fort Smith, Ark., has returned to Little Rock as a personal producer.

Floyd L. Turner has been appointed unit manager in the Columbus, O., office of the Connecticut General Life. He also will act as assistant to Fred M. Exline, Central Ohio manager.

David Burnham has been appointed district manager for Waco, Tex., and surrounding counties by the Equitable Society, with offices in the Superior building.

Victor Ellingson, former general agent and supervisor for the Missouri State Life and other companies, has joined the Iowa agency of the General American Life.

The Iowa agency of the General American Life has increased paid new premiums 35 percent since Jan. 1, it was reported by General Agent A. T. Lynner at a meeting of Central Iowa agents in Des Moines.



# Sales Ideas and Suggestions

## Avoid Lower Bracket Prospects, Broadbuss Tells Guardian Men

Agents should prospect where they live, visit, play and buy, L. S. Broadbuss, manager Guardian Life in Chicago, declared in a talk given at the Guardian's regional conventions in St. Louis and Chicago. Having decided where to prospect, he said, there comes the urgent demand for quality prospecting. The prospect file is the agent's future, so it must be good.

There are three classes of prospects he explained, A, B, and C, the first two offering success in the business. But the third must be avoided. These are the people who earn no more than \$50 times their age annually; who rarely buy a second policy, frequently lapse, demand much service and offer no profit to the agent. However, he cautioned, young men who are on the upgrade and should in time become good policyholders, may temporarily fall into this class. Agents must select carefully in this group those whose family background, personal ambition, training and vision of life indicate they will advance.

### Identifies Better Types

The Class A prospects earn at least \$100 times their age yearly, buy 15 to 20 policies in their life time and keep

them. Class B prospects earn at least \$75 times their age, buy six to 15 policies and keep them.

"Both of these classes," Mr. Broadbuss said, "are desirable centers of influence. They are prospects with a future and you will have a future if you make them your clients."

"Let the other fellow have the wrong ones. As a general rule, your best prospects are within five years of your own age. In this group you solicit without embarrassment, fear or timidity. A proper sales plan gives you prestige and may enable you to contact an older group."

### Heritage to Agent's Sons

"Build into your prospect file the names and ages of children of your policyholders and prospects. You are in a lifetime business. Your son or son-in-law will probably follow in your footsteps. Your prospect file will be their legacy. A great deal of their future is in your prospect file. Build it a name at a time. Build it wisely. Build it of 'A' and 'B' type prospects. Make prospecting simple. It is acquaintance making in a carefully selected type of people."

## Eleven Valuable Assets in Life Policy Listed

MINNEAPOLIS — Eleven valuable features contained in a life insurance policy were listed and analyzed by J. D. Graham of the Great-West Life at the training course conducted jointly by the Minneapolis Life Managers Club and the Minneapolis Association of Life Underwriters.

In a half-hour demonstration, in which he simulated the magician who pulls rabbits from a hat, Mr. Graham used an imitation policy from which he extracted the 11 important assets contained in it. These were, in the order listed: (1) A bond; (2) an ideal thrift plan; (3) a definite educational fund; (4) a conservative, guaranteed investment; (5) the safest kind of speculation for those who want to speculate; (6) accident and health provisions; (7) a perfect hedge against inflation; (8) a self-pension plan; (9) tax privileges; (10) an unbreakable will; (11) a perfect trust.

### Most Complete Instrument

Mr. Graham declared a life insurance policy is the most complete financial instrumentality a man can buy.

"The public wants the financial service wrapped up in a life policy," he said. "Look upon the policy you are offering as tangible merchandise and then sell it as merchandise to solve your client's financial problem."

Byron Hanay, Equitable Society, stressed the importance of filling out the application correctly. He also advised getting a settlement with the application.

### Calendar Results in Sale

Last December, Norman Brooks of the Louis F. Paret agency of the Provident Mutual Life in Camden, N. J., delivered a calendar requested by a man who had written to the home office. Mr. Brooks' effective cultivation of this contact added one of his September scores — \$5,000 of 30-payment life.

## B. M. A. Makes Plans for 4th Decade

(CONTINUED FROM PAGE 7)

A new accident policy for juniors under 14 and for students has been issued. Surgical benefits can now be included with hospitalization policies.

The group broke up into seven round tables for discussion of underwriting methods Friday afternoon: F. B. Martin, Texas, prestige; R. E. Sanders, California, programming; W. B. Huie, Arizona, retirement income; W. L. Butler, Kansas City, prospecting; W. H. Gruver, Lebanon, Ind., selling methods; A. J. A. Johnstone, California, prospecting; Karl K. Krogue, Salt Lake City, business insurance.

"Go out of your way to help people do things," was the advice of Carrie Summers of Texas in building prestige. When she hears of someone who wants to buy a car, she tells a car salesman. Later she goes to the salesman for (1) selling insurance, or (2) names.

Mr. Martin advised that when the salesman takes notes on a prospect, even if he doesn't see him until a year later, he should have those notes in his files and refer to them so that he can have the same point of departure when he goes back.

The average life of a business is seven or eight years, and only one out of 10 stays in business 30 years or longer, Mr. Krogue pointed out in urging the sale of business coverage.

A. W. Hogue, Texas manager, outlined the business insurance approach which he has found so effective:

"Would you, Mr. Prospect, like to know that regardless of what happens to you this business will be perpetuated and your family will enjoy the same benefits that they have been enjoying?" The answer is, of course, affirmative, and he is curious. Anyone would like that. So Mr. Hogue continues:

"You realize of course the great mortality in business. What causes it?" The prospect may say 'bankruptcy,'

'incompetent management,' etc. True, some businesses lose out from mismanagement, but that isn't true here, I can see. Usually it is the death of the key man. That is the real thing that terminates most businesses."

Mr. Huie has an approach which works well. The most difficult problem is to get the man to sit down so that there can be a real interview. Huie makes this possible by saying, "You may not be interested now, but I'm sure you will be later. Let me take five minutes now, and we can then come back to it later."

### Sells Retirement at 65

In selling retirement income, Mr. Huie sells 65 rather than 50 or 55 because more insurance is involved. Also, he can use the familiar retail selling psychology—start high and go down.

Mr. Huie also finds effective this method of computation: multiply the premiums over the term of the contract and compare it with the maturity value; he then shows how much bonus the man has earned, and throws in the protection that he has had as a clincher.

To answer the question: what if I can make the deposits now, but maybe can't in three or four years? Huie suggests the salesman point out to the prospect: you can take a paid up endowment at the end of that time.

Rex Dann, Los Angeles, suggested a quick interview that results for him in a number of sales. It can be used in so many situations. He approaches a filling station attendant, or anyone else who isn't momentarily busy and says, "You like problems (or puzzles)?" Almost everyone nowadays does. "Here's one for you. It pays you \$2,000 if you live. If you die, it pays \$2,000 to someone else. You can make about \$1,000 on it. If you're disabled, the contract is marked paid in full." The man's curiosity is going to prompt him to ask what it is along about this point, and that question is, of course, the springboard to the sale.

Another salesman suggested the use of the "money language" with which the prospect is familiar. For instance, he tried to sell the barber, who owned his own shop and made good money, for a long time. One day he went in and asked the barber if he could save the price of a haircut each day. He said, sure he could. The contract was sold. The barber had been scared by the "annual deposits of \$180." Enlightened by his success, the salesman used the same idea on the cleaner, and it worked.

Mr. Sanders outlined his programming method. The underwriter can't spend too much time on programming unless it is a worthwhile case both for the prospect and for the underwriter. The prospect should be able either to buy insurance or to furnish the underwriter with good names.

### Gain Prospect's Confidence

The most effective method Mr. Sanders has found to gain the prospect's confidence and policies is to show him his, Mr. Sanders', own program, which he uses in his salesmaker and in his rate book, both.

He pointed out that the amendments to the social security act this year makes obsolete almost every program created as late as April 1, 1939.

Make the program simple, select prospects carefully, don't deliver the program until the prospect has time to go over it with you in detail, was the gist of Sanders' advice.

In his talk Saturday morning, Mr. Sanders emphasized that an underwriter's own insurance program is one of his most effective selling tools. It shows the prospect his faith in insurance and in his company. When he doesn't have his

program with him, Sanders uses the receipts for premiums—a dozen or so of them—he has paid during the past year, an equally effective selling idea.

"I wonder how many life underwriters would be embarrassed if the prospect should ask him, 'How much of this have you?'"



R. E. SANDERS

Mr. Sanders suggested that if salesmen must order out an "extra policy in the hope of delivering it, he should order one the same size as that the prospect has agreed to take. Otherwise, the prospect may take the smaller one, which is a thing that happened to Mr. Sanders early in his insurance experience.

Mr. Sanders also finds the use of the phrase "if you can qualify" effective when sprinkled frequently throughout the interview.

No business is less in need of governmental study than life insurance, asserted Charles J. Zimmerman, Connecticut Mutual, Chicago, president National Association of Life Underwriters. Implication of the TNEC investigation is that life insurance has flaws or faults. Life insurance is prepared to defend itself and tell its story, Mr. Zimmerman asserted. He pointed out that people are apt, in these days, to forget that "government is organized to serve its citizens and not its citizens organized to serve the government."

### Job of Selling Outlined

"The Job of Selling," according to Mr. Zimmerman, consists of (1) laying out enough work and laying it out properly, then checking results to see where the salesman is the most effective; (2) picking out and concentrating on one major prospecting method—and doing something about it continuously; "more men fail in this business because of the men they fail to see than the men they fail to sell"; (3) every sales talk should be an organized sales talk, and (4) have a sound objective, a budget, and an objective over and above making a living.

In its 30 years the Business Men's Assurance has collected approximately \$100,000,000 in premiums, has paid out about \$44,000,000, W. T. Grant, president, said in reviewing the company's history and outlining its job for the future. The company has paid the sales force in 30 years \$9,500,000 on accident and health, almost \$7,000,000 on life insurance; it has paid salaried employees \$7,500,000; \$750,000 in postage; \$1,250,000 to printers; over \$500,000 to doctors in medical examinations, over \$250,000 to inspection agencies, and more than \$1,500,000 in premium taxes alone.

Mr. Grant warned salesmen against



complacency and self-satisfaction of a well-done job.

By the inclusion of women and children under the social security act, it is estimated that there will be some \$60,000,000 insurance placed in force by the act or more than half that all insurance companies have in force. It has already been suggested, Mr. Grant pointed out, that there be provided \$250 to every person as a "burial" fund. This amounts to life insurance.

"The threat of our business being pushed aside by governmental intrusion is a very tangible and serious thing," Mr. Grant said. "How are we to avoid it? Not by talking to congressmen, but by giving policyholders a degree of service so that under no circumstances would they give up that service."

#### Answer Is Improved Service

"If the chairman of the social security board had gotten over his idea the last congress, we would have \$850,000,000 more in taxes to pay for government disability insurance."

The answer to these things, Mr. Grant believes, is an improved service by life insurance, by a long range intensive job of building public good will.

More than 200 attended the banquet Friday. With Louis Graham, director of field service, as toast master, the following distinguished guests from the insurance business were introduced: Herbert P. Linn, vice-president Central Surety, Kansas City; W. E. Bixby, president Kansas City Life; J. A. Budinger, vice-president and actuary Kansas City Life; Charles Sears, vice-president Kansas City Life; R. S. Tiernan, president American Savings Life; O. C. Thornton, vice-president Midland Life, Kansas City; Ralph W. Jones, president, National Fidelity Life, Kansas City; Hiram E. Kincaid, Mutual Benefit Life, president Life Underwriters Association of Kansas City; the following directors of the B. M. A.: Charles Alves, Dr. E. F. Robinson and Grant Stauffer; L. W. S. Chapman, Sales Research Bureau.

#### Diamond Pins Presented

Diamond pins were presented to L. D. Ramsey, secretary and first employee of the company 30 years ago, and to Miss Daisy Baker, assistant secretary, and the company's first woman employee.

To R. E. Sanders, millionaire producer from San Diego, went the first of several "production prizes," a handsome cup inscribed with the information that it marks the second time in succession he has qualified for the Million Dollar Round Table.

Production awards were presented to W. L. Butler, Kansas City, vice-president Grant Club, president of the Renewal Club and vice-president Life Club; Carrie Summers, Texas, president Accident & Health Club; C. M. Oliver, Arkansas, vice-president Accident & Health Club; and Saul Ehrlich, Denver, vice-president of the Renewal Club. Honored also for production records were A. W. Hogue, Dallas manager, and E. W. Welton, Ohio manager.

Following a talk on "Successful Worry" by Tom Collins of the Kansas City "Journal," the 30-year birthday cake, which stood four feet high, was cut by Mr. and Mrs. Grant.

#### Prudential's Annual Luncheon

NEWARK, N. J.—Several hundred of northern New Jersey's leading business and professional men and clergymen will again be the guests at an informal buffet luncheon given by the Prudential at the home office to mark its 64th anniversary Oct. 13.

The first of these luncheons was given in 1925 at the time of the 50th anniversary celebration. They have proved so popular that they have been continued as an annual event ever since.

Ulmer Ward has taken charge of the Sacramento office of the Postal Union Life, with offices in the Mitou building.

## Agency Section Names Winterble

(CONTINUED FROM PAGE 3)

ance is not being questioned today by the public or at Washington, D. C. He stressed the importance of current income rather than market value of what is owned. The agency system produces the current income even in the depths of the worst depression which makes it unnecessary to sell what a company owns on depressed markets to meet loans and maturing policies. He asked what would happen to that factor of safety in the descending spiral of over the counter sales.

As to company leadership being based on company plan of profitable operation, he asked how far would one be willing to have his company go in removing the pressure per volume, pressure per number of new men and compensate field management for its contribution to a company plan of profitable operation.

#### Field Will Cooperate

In speaking about the company plan being in harmony with a cooperative institutional promotion of better understanding which is voiced through the Institute of Life Insurance, he said that field management is willing and anxious to carry out the local application of the institute's plan.

In referring to the prestige of the individual salesman being built from within, he said favoring new men at the expense of old brings prestige to neither. The old agent, he said, must be paid on a basis that will recognize his service to all policyholders as well as his results in securing new business. He urged the peaks and valleys of uncertain income to be leveled but the agent should not be deprived of the fruits of his individual efforts.

#### H. T. Burnett Presides

Chester O. Fischer, agency vice-president of the Massachusetts Mutual for the past three years and formerly an outstanding general agency, viewed the production problem through home office eyes and Paul Speicher, managing editor Insurance Research & Review, took the policyholder's side of the picture.

The final speech was the highlight of the session and perhaps the most important one of the week—that of L. A. Lincoln, president of Metropolitan Life. Mr. Lincoln spoke in measured words his opinion of the situation surrounding the TNEC investigation.

## Lincoln Speaks Against Probers

(CONTINUED FROM PAGE 1)

the slightest doubt that the President was sincere in making the statement. He said also that he believed that President Roosevelt was unaware of the scope that the life insurance investigation was to take when he sent his message to Congress regarding it in 1938. The original message authorized the Securities & Exchange Commission to make a probe of life insurance investments, but there was not in contemplation an inquiry of the scope that the TNEC investigation finally assumed.

Mr. Lincoln said that members of the staff appointed by the SEC made their first visit to the home office of Metropolitan Life asking that they be permitted to examine the files. Mr. Lincoln said he felt sure at that time that these investigators had no legal right to make such an examination, but there was no disposition on the part of anyone at the home office of Metropolitan Life to oppose it. The investigators told Mr. Lincoln that when they had completed the examination of the files they would take up with the Metropolitan's officers those subjects that they intended to discuss at the hearing. This was not done, Mr.

Lincoln said. Mr. Lincoln's private files were examined, and in referring to it he said humorously that no skeletons were discovered and that he was a happily married man.

Chairman F. H. Ecker's files were examined in the same way, following which Metropolitan and all life companies were sent questionnaires. Mr. Lincoln complimented the attitude of Senator O'Mahoney, who in December, 1938, stated that the functions and purposes of the investigating group were to gather information objectively in an unbiased and dispassionate manner. Mr. Lincoln said he feels that this has always been Senator O'Mahoney's stand in the matter.

Mr. Lincoln said flatly that the committee has not made the sort of investigation of life insurance described by Senator O'Mahoney. All of the facts have not been presented. The hearings were apparently designed to be of a critical character and not at any point of a complimentary nature. Mr. Lincoln observed that in going through the Metropolitan's files and those of other companies the investigators must have found at least something of a complimentary character, but that nothing of the sort was presented at any of the hearings. He referred especially to the charts presented by Professor Davenport of the Harvard school of business, which showed the income and disbursements of life companies from 1865 to 1937. The lines of the charts diverged in a manner calculated to show that the companies had receipts of \$20,000,000,000 in excess of their disbursements, and it was stated by one of those conducting the hearing that the investment income of the life companies in the last 20 years must have been all velvet. This was refuted later by Mr. Ecker in an interview.

#### Attitude of Directors

Mr. Lincoln explained that Chairman Ecker was placed on the witness stand to explain the corporate structure of Metropolitan Life, its mutualization and that during his testimony the words "interlocking directors" were frequently used. At this point Mr. Lincoln said, "I never knew of any director of our company, and I am sure it is equally true of the directors of others, who ever asked for a single thing on the part of the company for himself."

Mr. Lincoln described that portion of the hearing during which 13 agents of Metropolitan testified that they had forged policyholders' names to election proxies. Mr. Lincoln said that those agents were brought to the hearing by an organization seeking to exploit the agents of Metropolitan Life. After this group had testified, a number of agents of Metropolitan in various parts of the east, voluntarily and unknown to Metropolitan, proceeded to Washington to offer their testimony to the effect that the practice described by the 13 witnesses was not general nor indulged in by agents of the company as a whole. They were not permitted to testify and were told that "this phase of the investigation has been concluded." Summing up this incident, Mr. Lincoln said, "every one of those 13 agents were dismissed from our service, they are still out of our service and I expect them to remain out."

#### Comments on June Hearing

In the June hearing, Mr. Lincoln said that the theme of the committee seemed to be "collusive practices." Figures on group business were submitted, and an attempt made to prove that the group business is a monopoly. Mr. Lincoln said that the throat cutting competition in the group business had made a basic rate law necessary, but that all companies have their own experience factors and that as a matter of fact, no two companies have exactly the same group cost. The committee also interrogated company officials on jumbo risks, the medical information bureau, optional settlements, replacement agreements, etc.

"I say that if the companies had not taken the steps regarding these matters

that they did, then they should have been criticized," Mr. Lincoln declared. He touched upon the testimony given by a representative of the Massachusetts savings bank system, and said that the Massachusetts plan is always used as an argument against industrial insurance, yet less than 2 percent of the business which the Massachusetts banks have in force is among the low income groups. Mr. Lincoln was summoned to the final hearing in August by subpoena, which he said contained at the bottom the warning "fail not at your peril." Mr. Lincoln said that he did not fail, was on hand at the required time, and that he had been preceded as a witness by Morris H. Siegel, the New York "counselor." Mr. Lincoln stated that Mr. Siegel had testified that he made \$98,000 a year in fees, spent \$60,000 on his radio advertising, and that the average cost to the policyholders who consulted him was \$22.50. Mr. Lincoln referred especially to the phonograph record of one of Siegel's broadcasts which was heard by the committee in spite of the fact that a script of his broadcast had previously been placed in evidence.

When he was questioned by the committee, Mr. Lincoln said they apparently wanted him to say that industrial insurance was burial insurance, which he declined to do, declaring instead, that it has many other uses and is simply one phase of life insurance. They also asked him about agent's compensation and turnover, and toward the conclusion of the hearing one of their experts was asked how much it might cost to furnish \$250 worth of life insurance to every person in the United States. Incidentally, in describing the social security act, Mr. Lincoln referred to it as the "United States pension scheme."

Mr. Lincoln concluded by saying that if some of the theories being expressed in Washington are put into actual practice, there is a possibility of the industrial agent being eliminated from life insurance. If that should happen Mr. Lincoln predicted that it would not make life insurance selling any easier for the ordinary agent, and that every agent should be just as much concerned over what may happen to the industrial agent as to what may occur to the ordinary rate book carrier. Mr. Lincoln emphasized that all agents of all companies should be as fully informed as possible, not only as to what is going on but as to what might happen as a result of the ideas being advocated in Washington.

#### U. S. Life Advances Winston

A. H. Winston, Jr., has joined the agency department of United States Life and will serve as assistant to R. R. Rhodebeck, agency superintendent, in the details of agency development.

Mr. Winston served under the guidance of Mr. Rhodebeck in the life department of American International Underwriters and after two years joined Dascit Underwriters, New York general agency of the United States Life, when it absorbed the A.I.U. life department. He is a graduate of St. Lawrence University and studied life insurance for several years at New York University.

#### Bush Made Sole General Agent

Massachusetts Mutual Life has appointed R. A. Bush to succeed Bush & Heartfield as general agent at White Plains, N. Y. C. B. Heartfield, co-general agent since 1932, has resigned and will enter another line of business.

After overseas services in the world war, Mr. Bush entered life insurance with the T. R. Fell agency of Massachusetts Mutual in New York, later being transferred to Pittsfield, Mass., as district agent. Selling \$120,000 his first year, his personal production peak was in 1928 when he wrote 54 lives for \$777,000.

Owens A. Rogers, captain and quarterback of last year's Texas A. & M. football team, has moved to Dallas and joined the Dallas city agency of Fidelity Union Life, where he hopes to make as fine a record selling life insurance as he did on the football field.



# Illinois Bankers Life Assurance Company

Monmouth, Illinois

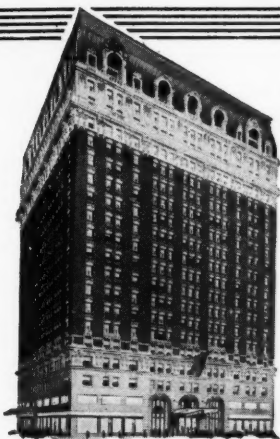
Each of the last five years has shown an increase in paid-for production over the previous year.

Consistent progress indicates a growing organization.

Ask for information regarding our new Golden "C" Policy, a complete combination of Accident, Health and Life Insurance.

Karl B. Korrady, Vice President and Director of Agencies, Monmouth, Illinois.

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ESTABLISHED 1860



Throughout the past 88 years the Massachusetts Mutual has earned a reputation for able, progressive management, and sympathetic understanding of its policyholders' problems. The company has ever been alert to the modern trend and has kept its judgment flexible, constantly adjusting itself to meet new problems of protection and conservation.

*Massachusetts Mutual*  
LIFE INSURANCE COMPANY  
Springfield, Massachusetts  
Bertrand J. Perry, President

# LIFE VIEWS IN THE NEWS



Glimpses of those attending outing of Million Dollar Round Table at French Lick, Ind., prior to St. Louis convention. Left to right—Frank B. Fonville, Phoenix Mutual, Oklahoma City; Grant Taggart, California-Western States Life, Cowley,

Wyo.; Carey Selph, Great Southern Life, Houston; Harry T. Wright, Equitable Society, Chicago; T. B. Reed, Great Southern, Oklahoma City; D. B. Maduro, New York, tax and estate expert.



Million dollar producers at French Lick: Top row, left to right—Paul W. Cook, Mutual Benefit Life, Chicago; Wallace King, Mutual Benefit, Lima, O.; J. E. Clayton, Mutual Benefit, Newark; M. M. Matusoff, Mutual Benefit, Cleveland.

Bottom row—W. T. Gwaltney, Southland Life, Fort Worth; C. F. Cross, vice-president Lincoln National Life; H. K. Nickell, Connecticut General, Chicago, and H. G. Mosler, Massachusetts Mutual, Los Angeles, new chairman of round table.



At the banquet of the Pacific Mutual Agency Association in St. Louis the other evening, plaques were presented to C. C. Day, Oklahoma City general agent, and to J. M. Gantz, general agent at Cincinnati. The presentations were made by H. K. Cassidy, San Francisco general agent, the president of the agency association. This is in recognition of the service which Mr. Gantz and Mr. Day have rendered the Pacific Mutual organization.